HYPO VORARLBERG BANK AG

ANNUAL REPORT
2025

KEY FIGURES 2025

Key figures of Hypo Vorarlberg Bank AG (Hypo Vorarlberg) - Group reporting per IFRS:

Balance sheet figures TEUR	Notes	31.12.2025	31.12.2024	Change in TEUR	Change in%
Total assets		15,380,414	15,250,325	130,089	0.9
Loans and advances to banks		183,423	235,195	-51,772	-22.0
Loans and advances to customers		11,228,763	11,137,709	91,054	0.8
Liabilities to banks		401,549	439,049	-37,500	-8.5
Liabilities to customers		5,342,001	5,082,038	259,963	5.1
Securitised liabilities		7,703,605	7,805,145	-101,540	-1.3

Performance figures TEUR	Notes	2025	2024	Change in TEUR	Change in%
Net interest income	(5)	209,155	233,693	-24,538	-10.5
Net fee and commission income	(6)	39,834	38,950	884	2.3
Administrative expenses	(11)	-138,150	-132,564	-5,586	4.2
Earnings before taxes		70,516	58,058	12,458	21.5
Consolidated net income		53,248	42,450	10,798	25.4

Corporate figures	Notes	2025	2024	Change absolute	Change in%
Cost-Income-Ratio (CIR)		56.11%	53.07%	3.04%	5.7
Return on Equity (ROE)		4.74%	3.98%	0.76%	19.1
Employees	(39)	789	761	28	3.7

Own funds TEUR	31.12.2025	31.12.2024	Change absolute	Change in%
Common equity tier 1 capital (CET1)	1,497,665	1,460,589	37,076	2.5
Additional tier 1 capital (AT1)	103,702	50,020	53,682	>100.0
Tier 1 capital (T1)	**1,601,367**	**1,510,609**	**90,758**	**6.0**
Tier 2 capital (T2)	189,348	228,611	-39,263	-17.2
Own funds	**1,790,715**	**1,739,220**	**51,495**	**3.0**
CET1 capital ratio (CET1)	15,85%	16,21%	-0,36%	-2.2
Surplus of CET1 capital (CET1	1,072,456	1,055,021	17,435	1.7
T1 capital ratio (T1)	16,95%	16,76%	0,19%	1.1
Surplus of T1 capital	1,034,421	969,851	64,570	6.7
Total capital ratio	18,95%	19,30%	-0,35%	-1.8
Surplus of total capital	1,034,788	1,018,209	16,579	1.6

The shareholders of Hypo Vorarlberg Bank AG as of 31 December 2025:

Shareholders	Total shareholding	Voting Rights
Vorarlberger Landesbank-Holding	76.8732%	76.8732%
Austria Beteiligungsgesellschaft mbH	23.1268%	23.1268%
- Landesbank Baden-Württemberg	15.4179%	
- Landeskreditbank Baden-Württemberg Förderbank	7.7089%	
Share capital	**100.0000%**	**100.0000%**

Rating	Moody's
Long-term senior debt	A3
Short-term	P-2
Outlook	negative

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HYPO VORARLBERG

PHILIPP HÄMMERLE
MEMBER OF THE MANAGING BOARD

MICHEL HALLER
CHAIRMAN OF THE MANAGING BOARD

STEPHAN SAUSGRUBER
MEMBER OF THE MANAGING BOARD

FOREWORD
BY THE MANAGING BOARD

Hypo Vorarlberg has been a reliable and consistent partner to its customers for over 125 years – no matter how the world around them changes.

Dear customers, business partners and shareholder representatives,

The 2025 financial year was again characterised by a challenging economic environment in Europe. The muted economy and the general reluctance to invest were also clearly reflected in banking business. This was exacerbated by geopolitical tension and a complex international environment, which led to sustained uncertainty on the financial markets.

This market environment was extremely demanding for our customers and for us as a Bank. This makes it all the more pleasing that our risk-conscious business strategy proved its worth once again. It served as the basis for a successful conclusion to the 2025 financial year, in which our earnings before taxes improved by 21.5% to EUR 70.5 million.

Customer deposits (savings, demand and term deposits) account for around EUR 5.3 billion of our total assets of EUR 15.4 billion, which increased by 0.9% compared to the 2024 financial year. Asset Management business developed positively despite the turbulence on the capital markets, with our asset management strategies enjoying increased customer demand thanks to their impressively stable performance. Total assets under management increased to EUR 1.2 billion at the end of 2025 on the back of good portfolio management services.

In 2025, the trade journal Elite Report recognised Hypo Vorarlberg as one of the best asset managers in the German-speaking region for the fourteenth year in a row. This and other repeated awards serve to confirm our aspiration as a Bank, which is to provide our customers with tailored solutions based on individual, high-quality advice. This is all the more important in an era of challenging capital markets, growing regulatory requirements and high cost pressure.

Although inflation declined over the course of the year and some financing conditions eased in response to changes in interest rate policy, demand for lending remained muted, especially in the areas of private residential lending and investments by companies. This situation impacted the Private Customers segment, where the lending volume declined slightly to EUR 2.2 billion, while demand for lending in the core markets in the Corporate Customers segment was again below-average in 2025. One exception was the Swiss market, which saw encouraging growth. Despite high levels of scheduled and unscheduled repayments, the overall credit volume was maintained at broadly the prior-year level, with total loans and advances to customers declining slightly to EUR 7.8 billion.

2025 also saw some important changes in personnel as Wilfried Amann stepped down from the Managing Board to retire. He was succeeded in May 2025 by Stephan Sausgruber, an experienced manager from within the Bank's own ranks. At the same time, we are already looking to the future: 2026 will see another change as the Chairman of the Managing Board, Michel Haller, moves on to a new professional challenge. He will be succeeded by Dr. Christof Splechtna, who will take over as Chairman of the Managing Board from 1 October 2026. The Managing Board is completed by Philipp Hämmerle. These developments create a platform for new impetus where Hypo Vorarlberg's strategic orientation is concerned.

We would like to express our particular gratitude to the more than 900 employees throughout the Group, whose dedication and expertise made an important contribution to the success we achieved in the past financial year. Their work is the foundation upon which our Bank is built. Moving forward, we intend to continue on the successful path Hypo Vorarlberg has established for itself and keep offering our customers first-class advice and solutions.

The Managing Board

Michel Haller
Chairman of the Managing Board

Philipp Hämmerle
Member of the Managing Board

Stephan Sausgruber
Member of the Managing Board

ORGANISATIONAL CHART

MANAGING BOARD

MICHEL HALLER
CHAIRMAN OF THE MANAGING BOARD

Credit Management – Corporate Customers
Christoph Glas-Fröhlich
- Credit Management CC I-III / St. Gallen
- Credit Management Banks & Leasing
- Balance Sheet Analysis
- Credit support

Credit Management – Private Customers
Martin Heinzle
- Credit Management – Private Customers
- Certification / Collateralization
- Credit Service
- Collateral Management
- Housing Construction Aids

Group Risk Controlling
Markus Seeger

Law
Klaus Diem
- Central Loan Monitoring I and II
- Law Department I, II and Retail

Ombudsperson
Martha Huster

Human Resources
Bianca Dünser
- HR development

Communication & Marketing
Sabine Nigsch-Gaethke
- Sponsoring / Events

Compliance*
Reinhard Kaindl
- BWG Compliance & Outsourcing
- WAG Compliance
- Prevention of money laundering and terrorist financing
- Compliance with the sanction
- ICS

Strategic Bank Management
David Blum

Corporate and Internal Audit*
Christoph Schwaninger

St. Gallen Branch Office
Thomas Reich
Eliane Knellwolf

Hypo Vorarlberg Leasing, Italy
Michael Meyer (market following)

Hypo Vorarlberg Immo Italia, Italy
Alexander Ploner

STEPHAN SAUSGRUBER
MEMBER OF THE MANAGING BOARD

Corporate Customers Sales
Richard Karlinger
- Branch Offices Corporate Customers
- International Services / Correspondent Banking
- Syndication / Structured Financing
- Financial Aids Department

Private Customers Sales / Private Banking
Markus Felder
- Branch Offices Private Customers / Private Banking

Sales Vienna
Roswitha Klein
- Corporate Customers
- Private Customers / Private Banking

Sales Support
Stephan Modler
- Product Management
- Product Management Money and Capital Markets
- Marketing Management
- CSC – Banking Applications
- CSC - Payment Transactions
- CSC – Sales Department

Treasury
Florian Gorbach
- Funding & Investor Relations
- APM & Investments
- Money, Foreign Exchange and Interest Derivatives Trading
- Securities Customer Trading

Executive Board Office* & Participation Administration
Egmont Schwärzler

St. Gallen Branch Office
Walter Ernst, RM
Simon Schier
Gerardino Lamorte

Hypo Vorarlberg Leasing, Italy
Christian Fischnaller (Sales)

Hypo Immobilien & Leasing GmbH
Wolfgang Bösch

PHILIPP HÄMMERLE
MEMBER OF THE MANAGING BOARD

Finance
Bernhard Egger
- Accounting / Reporting
- Bookkeeping / Account Management
- Data and Document Management
- Taxes

Controlling
Peter Holzer

Sustainability
Susanne Fünck

Asset Management
Karl-Heinz Strube
- Portfolio Management
- Back Office Asset Management
- Advisory Desk

Mid- and Backoffice Funds, Securities and Derivatives
Johannes Tschanhenz
- OTC Derivatives and Money Market Management
- Funds Service
- Securities Settlement

IT / Organisation
Jörg Ruwe
Johannes Lutz
- Banking Application
- Application Development
- Project Management Office
- Enterprise Architecture Office
- Infrastructure

IT GRC*
Ferdinand Gabriel

Data Protection*
Daniel Oberauer

Logistics
Wilhelm Oberhauser
- Facility and Materials Administration

BRANCH OFFICES OF HYPO VORARLBERG

Vienna Branch Office
Roswitha Klein, RM
Hans-Jürgen Spitzer, HCC
Katharina Jantschgi, HPC PB
Christine Allmrodt, SPC, HSC

Graz Branch Office
Ernst Albegger, RM
Gerhard Vollmann, HPC BP

Wels Branch Office
Thomas Hofer, RM
Iris Paar, HPC PB

Salzburg Branch Office
Peter Gassner, RM

Bludenz Branch Office
Martin Flachsmann, BOH
Hannes Bodenlenz, BM
Christoph Gebhard, HPB

Feldkirch Branch Office
Martin Schieder, BM
Stefan Kreiner, HPL
LKH-Feldkirch Branch Office

Götzis Branch Office
Franz Altstätter, BM

Hohenems Branch Office
Andreas Fend, BOH

Lustenau Branch Office
Graham Fitz, BOH
Stefan Ritter, BM
Melanie Greif, SPC

Höchst Branch Office
Klaus Meusburger, BM

Bregenz Private Customers Branch Office
Stefan Schmitt, BOH
Stephan Spies, SPC
Stephan Bohle, HPB
Alexander Walterskirchen, HPL

Bregenz Corporate Customers Branch Office
(incl. Bregenzerwald)
Simon Ruff, BOH

Germany Corp. Customers Branch Office
Markus Schmid, BOH

Dornbirn Branch Office
Hannes Brida, BOH
Egon Gunz, BOH PC
Simone Küng, SPC

Riezlern Branch Office
Alfred Pfeiffer, BOH
Josef Wirth, SPC

Schruns Branch Office
Hannes Bodenlenz, BM

Lech Branch Office
Michael Fritz, BOH + BM

Egg Branch Office
Wolfgang Fend, BM

RM	Regional Manager
BOH	Branch Office Head
BOH PC	Branch Office Head Private Customers
BM	Branch Manager Private Customers
HCC	Head of Corporate Customers
HWM	Head of Wealth Management
HPB	Head of Private Banking
HPC PB	Head of Private Customers and Private Banking
SPC	Head of Service and Private Customers
HSC	Head of Service Customers
HPL	Head of Private Loans

* Subordinate to the Board of Directors

As of April 2026

As of MAY 2026

EXECUTIVE BODIES

MANAGING BOARD

Michel Haller
Chairman of the Managing Board, Tettnang

Wilfried Amann (until 30 April 2025)
Member of the Managing Board, Bludesch

Philipp Hämmerle
Member of the Managing Board, Lustenau

Stephan Sausgruber (from 1 May 2025)
Member of the Managing Board, Höchst

SUPERVISORY BOARD

Jodok Simma (until 23 May 2025)
Chairman, Chairman of the Managing Board (retired), Bregenz

Alfred Geismayr
Chairman (from 23 May 2025), Deputy Chairman (from 23 May 2025)
Chartered Accountant and Tax Advisor, Dornbirn

Eduard Fischer
Deputy Chairman (from 23 May 2025)
Member of the Supervisory Board (until 23 May 2025)
Managing Director of Offsetdruckerei Schwarzach Gesellschaft mbH (retired), Dornbirn

Astrid Bischof
Entrepreneur, Göfis

Karl Fenkart
Civil servant, Lustenau

Johannes Heinloth
Member of the Board of Managing Directors of L-Bank, Karlsruhe

Karl Manfred Lochner
Member of the Board of Managing Directors of Landesbank Baden-Württemberg (LBBW) (retired), Burgthann

Karlheinz Rüdisser (until 23 May 2025)
Deputy State Governor of Vorarlberg (retired), Lauterach

Birgit Sonnbichler
Entrepreneur, Dornbirn

Petra Winder
Managing Director, Bregenz

Veronika Moosbrugger
Chairwoman of the Works Council, Works Council delegate

Elmar Köck
Works Council delegate

Gerhard Köhle
Works Council delegate

Peter Niksic (until 23 May 2025)
Works Council delegate

Judith Österle
Works Council delegate

COMITTEES ESTABLISHED BY THE SUPERVISORY BOARD

Loan committee
Alfred Geismayr, Chairman (from 23.05.2025), Deputy Chairman (until 23.05.2025)
Jodok Simma, Chairman (until 23.05.2025)
Johannes Heinloth (Deputy Chairman from 23.05.2025)
Karl Fenkart
Eduard Fischer
Birgit Sonnbichler (from 23.05.2025)

Risk committee
Johannes Heinloth, Chairman (from 23.05.2025)
Karlheinz Rüdisser, Chairman (until 23.05.2025)
Alfred Geismayr, Deputy Chairman (from 23.05.2025)
Karl Fenkart, Deputy Chairman (until 23.05.2026)
Jodok Simma (until 23.05.2026)
Petra Winder

Audit committee
Karl Manfred Lochner (Chairman ab 23.05.2025)
Alfred Geismayr, Chairman (until 23.05.2025)
Eduard Fischer, Deputy Chairman (from 23.05.2025)
Jodok Simma, Deputy Chairman (until 23.05.2025)
Karl Fenkart
Astrid Bischof

Nomination committee
Karl Fenkart (Chairman from 23.05.2025)
Birgit Sonnbichler (Chairwoman until 23.05.2025)
Karl Manfred Lochner (Deputy Chairman until 23.05.2025)
Alfred Geismayr, Deputy Chairman (from 23.05.2025)
Jodok Simma (until 23.05.2025)

Remuneration committee
Birgit Sonnbichler, Chairwoman
Karl Fenkart (Deputy Chairman from 23.05.2026)
Karl Manfred Lochner (Deputy Chairman until 23.05.2025)
Jodok Simma (until 23.05.2025)
Petra Winder

GROUP MANAGEMENT REPORT

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MACROECONOMIC
CONDITIONS

Global economy and euro area
In Germany, the economically important automotive industry struggled in 2025, while overall sentiment continued to deteriorate. Following the parliamentary election in January, the muted economic figures also underlined the need for reform in Europe's largest economy. In the United States, the change of office in the White House heightened the tension regarding the specific implementation of Donald Trump's campaign promises. The announcement of tariffs for various nations – including the European Union – did not take long to materialise, and the counter-reactions followed soon afterwards. The European Central Bank (ECB) continued to ease its monetary policy stance in response to the weak economy and declining price pressure. However, the US Federal Reserve (Fed) kept its target range for the federal funds rate unchanged. The Fed's macroeconomic forecasts included a slowdown in GDP growth as well as higher inflation.

In early April, the uncertainty triggered by Trump's policies reached its highest level to date. The announcement in the White House Rose Garden that reciprocal tariffs would be imposed on 185 countries caused shock waves on the capital markets. Sentiment gradually settled again when the US President subsequently announced a delay of 90 days. Negotiations with China also proved difficult, with the country's tight controls over the highly coveted rare earths strengthening its negotiating position. However, US GDP growth saw a downward trend, the US labour market stumbled and the number of newly created jobs was downwardly revised on several occasions. These developments ultimately prompted the Fed to lower the federal funds rate to 4.25% in September, the first such rate cut in nine months. Fed Chair Powell emphasised that the committee had opted not to pursue a specific path because there were various indicators that the US labour market was cooling, whereas tariff-induced inflationary pressure was continuing to rise. At the meeting of its Governing Council in September, the ECB kept the deposit facility rate unchanged at 2.00% for the second time in succession.

It noted that the disinflationary trend in the eurozone had come to an end, thereby significantly curbing the remaining hopes of rate cuts among market participants. In France, the political debate around a savings package led to further new appointments by the Prime Minister. The US federal government was shut down in early October. The shutdown lasted for 43 days and caused additional uncertainty. In October, Sanae Takaichi became the first female Prime Minister of Japan, having previously been the surprise winner of her party's leadership election. She criticised the past interest rate rises by the Bank of Japan and expressed her preference for an expansionary fiscal policy. China announced annualised growth of 4.80% in the third quarter. The impact of the US trade conflict on exports was offset by rising exports to other economic areas.

A tariff deal was struck between the US and China in November. In December, the Fed lowered the federal funds rate by 25 basis points for the third time in a year, with the range now coming in at between 3.50% and 3.75%. The decision, which was not unanimous, was triggered by labour market concerns. By contrast, the ECB opted to continue to hold rates steady at its meeting shortly before Christmas. In response to inflation, the Bank of Japan raised its key interest rate by 25 basis points to 0.75%, the highest level for around three decades.

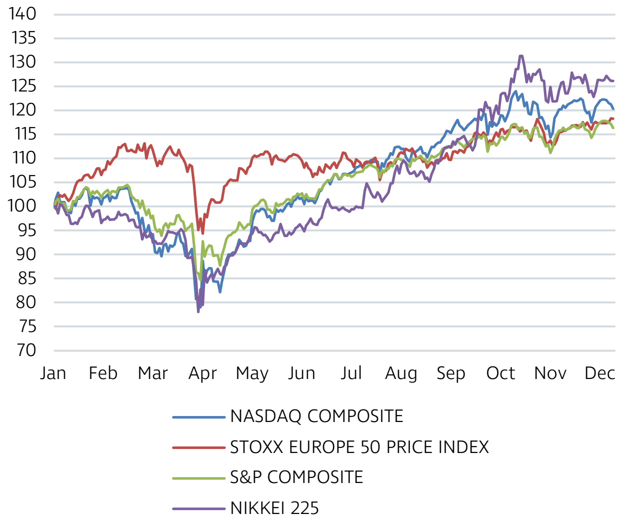
Stock and bond markets
The upward trend on the global equity markets continued in the new stock market year. However, sentiment shifted as January progressed. This saw the rare occurrence of Europe's stock markets decoupling from Wall Street, as the lack of predictability in US politics and the changing global situation prompted investors to withdraw capital from the US and reinvest it in Europe. High US valuations and the sustained weakness of companies with AI fantasies also played a part. The success of the Chinese AI start-up DeepSeek put additional pressure on the major US tech corporations. The European stock markets were briefly boosted by hopes of a peaceful outcome to the war in Ukraine.

Long-term eurozone yields were caught between the prospect of a further moderate relaxation in ECB monetary policy and the recent dominance of upward pressure on term premiums. In March, long-term yields increased significantly in anticipation of rising budget deficits due to the expansion in defence spending. The performance of the equity markets at the start of the second quarter was characterised by significantly higher volatility. The global stock markets saw a pronounced downturn following President Trump's tariff announcements in early April. However, hopes of an imminent agreement with China led to a rapid recovery in the stock markets, with indexes including Germany's DAX actually ending April higher than at the start of the month.

The stock markets also enjoyed a considerable recovery in May, demonstrating robust performance even in the face of various political disruptions. Other than a temporary sharp rise in risk premiums in April, fluctuations on the bond markets were minimal. This was due to the lack of surprises from the central banks on both sides of the Atlantic as well as the stability provided by robust economic data. On the US government bond market, President Trump's erratic policy decisions and the growing fiscal deficit led to growing reluctance on the part of foreign investors. Germany's benchmark index, the DAX, saw a new upward movement in July and improved slightly on its previous all-time high. In the United States, the S&P 500 kept breaking new records. Meanwhile, China's Shanghai Composite Index also emerged from a period of lethargy to record clear growth. There was little change in the high valuations on the equity markets.

The more restrictive statements by the ECB led to a slight increase in euro area yields across the entire yield curve in the third quarter. Things were very different in the United States, where yields fell in anticipation of further cuts to the federal funds rate. Artificial intelligence remained the dominant topic on the equity markets in the fourth quarter. The tech giants saw a sharp rise in debt on account of their high investment requirements. Taken together with its strong interconnection with the technology industry, this meant that risks in the AI sector increased significantly. Despite this, the global stock market indexes proved to be remarkably resilient. US corporations repeatedly used the capital markets to generate liquidity.

Global stock market development in 2025 (in EUR)



(Source: Thomson Reuters Datastream)

Commodities and currencies

In the first quarter, the price of gold reached a new all-time high of USD 3,000 per troy ounce. Speculation that the US Fed Chief could be fired by President Trump propelled the price of gold to another new high of USD 3,500 in late April. This was followed by a correction as the rumours were denied by the White House. However, gold largely maintained its high price level. Prices of industrial metals saw a sharp downturn from April onward due to the general uncertainty around future economic growth triggered by US tariff policy. Metal prices on the global markets recovered significantly once it began to look like US trade policy was easing.

The price of Brent oil briefly fell below the USD 70 mark, reaching its lowest level for over four years in April. This was again driven by fears around the impact of US tariff policy on global economic growth. The correction saw the WTI oil price briefly falling to just USD 55. The escalation of the conflict between Israel and Iran led to a sharp rise in oil prices, but this was only temporary.

The euro exchange rates of the main currencies were largely stable in the third quarter. From the start of the year onward, the price of gold raced from one high to the next, reaching a level of around USD 3,800. This was due in part to investors turning to gold ETCs, which were the biggest drivers of demand in 2025. Silver saw even more pronounced growth. Around 60 % of the demand for silver is attributable to industrial applications (especially the solar industry).

The oil price briefly saw a sharp rise in June due to the conflict between Israel and Iran. Subsequently, positive items of economic news meant that Brent oil only briefly traded at above the USD 70 mark. A report by the International Energy Agency (IEA) projected a significant oversupply on the global oil markets following the expansion of output by the OPEC+ continues.

The price of gold broke through the historical barrier of USD 4,000 per troy ounce in early October. This development was driven by central bank purchases and the diversification of reserves, rising government debt and the sustained government shutdown in the United States, as well as the weaker US dollar. The price of silver also reached new record highs. Crude oil prices declined further in the fourth quarter.

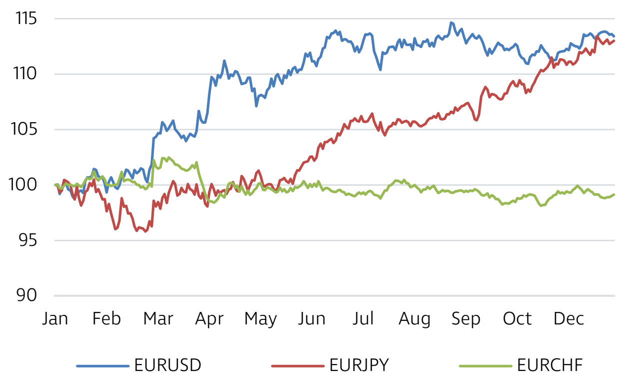
The euro continued its downward trend against the US dollar, falling to 1.02 in January. The US dollar then came under considerable pressure as all of the early praise for President Trump was successively priced out. The euro appreciated in March and continued to recover in the second quarter. This was due to a combination of more stable economic data from the euro area and uncertainty regarding US tariff and interest rate policy. The euro also traded within a moderately narrow range against the US dollar. Despite the US tariff announcement ("Liberation Day"), the Swiss franc continued to benefit from its status as a safe haven, appreciating considerably against both the euro and the US dollar. The Swiss franc saw a brief downturn in August.

The United States imposed tariffs of 39% on Swiss goods in August. The exchange rate rose to over EUR 0.94/CHF for the first time since mid-June. After the Swiss government asked for a reduction, the agreement of a lower tariff rate of 15% was announced on 14 November. Although the Bank of Japan opted to raise interest rates, the Japanese yen was largely unaffected and continued to depreciate against the euro. The euro exchange rates of the main currencies were largely stable in the final quarter of the year.

Gold price development in 2025 (in USD)

(Source: Thomson Reuters Datastream)

Currency development against the euro in 2025



(Source: Thomson Reuters Datastream)

Austria
After two years of recession, the economic situation in Austria gradually recovered but growth remained muted. According to a forecast by the Austrian Institute for Economic Research (WIFO) in December 2025, the domestic economy is likely to have grown by 0.5%. The economic recovery observed in the second half of the year is set to consolidate, with GDP growth of just over 1% predicted for both 2026 and 2027.

In a challenging environment, the recovery was largely sluggish. US tariff policy meant that Austrian exports lost one of their most important growth drivers in recent years, while the construction industry and some industrial sectors remained weak. Private consumption was also muted as Austrian households refrained from consumer spending due to concerns around general economic development and the strained budget situation. The WIFO therefore expects the savings ratio to remain high at 10.2% in 2025 (2024: 11.7%).

According to Statistics Austria, the government debt ratio increased slightly to 83.7% of GDP in the third quarter of 2025 (2024: 83.2%).

The Austrian labour market was relatively robust given the weakness of the economy. According to the Employment Market Service (AMS), however, unemployment increased to 7.4% (2024: 7.0%). Based on the latest calculation for 2026, the situation on the labour market remains strained and unemployment is set to rise further.

Inflation is likely to have remained high up until the end of 2025, with the WIFO calculating a figure of 3.5% (2024: 3.0%). This means HICP inflation in Austria was again above the ECB target of 2% in 2025. While inflation fell more rapidly in other eurozone nations, it remained persistent in Austria. According to the Austrian National Bank (OeNB), this was due to a combination of state-induced energy price rises and high wage growth in the service sector.

Vorarlberg
According to the quarterly business climate index for the industrial sector in Vorarlberg as published by the Vorarlberg Chamber of Commerce on the basis of its economic survey, the economic situation remained challenging in 2025 with only cautious signs of improvement.

After several years of negative figures, the index returned to positive territory in the second quarter of 2025. At +2.10 points, however, it was up only slightly on the previous quarter (-3.50) and the quarter before that (-9.00). Even with this development, the business climate as a whole remains well below the historical average and there are still no signs of a clear turnaround.

In the fourth quarter of 2025, the index saw a significant improvement in sentiment for the first time, coming in at +13 points. Around 46% of the companies surveyed rated their current business situation as good, 34% as average and 20% as poor. However, international business and export orders in particular remain at a low level, while the expectations for employment are still comparatively muted.

Despite these signs of a moderate recovery, many industrial companies are not seeing a clear upturn, but rather a stabilisation of the economy that remains fragile. The challenges – especially high location costs, the weak order situation in exports and uncertainty in key industrial sectors – remain intact and expectations for the coming quarters are cautious.

According to the AMS, the labour market in Vorarlberg remained challenging in 2025 despite some slight signs of recovery. Around 10,900 people were registered unemployed as an average for the year as a whole, with the year-end figure up around 6% on the previous year. A moderate improvement is only expected to emerge in the second half of 2026 as demand for labour increases and the economy and industrial orders become more stable again.

THE AUSTRIAN BANKING SECTOR
IN 2025

According to the OeNB, the Austrian banking sector enjoyed robust performance in 2025 despite the challenging economic environment, stabilising in the wake of the recession and focusing on accelerated digital transformation. After two years in which the economy slowed, a slight recovery is expected to have taken place in 2025. This led to a cautious upturn in demand for lending.

According to the OeNB, the consolidated total assets of the Austrian banking system amounted to EUR 1,290 billion in the second quarter of 2025 (Q2 2024: EUR 1,243.43 billion).

Lending business recovered after seven quarters of recession. Falling interest rates led to higher demand for residential construction financing in particular. This was largely driven by the ECB's interest rate policy: From June 2024 to June 2025, the ECB gradually lowered its key interest rate from 4% to 2%. Lending interest rates generally fell as a result of this development, with loans becoming more affordable.

Demand for lending among companies increased in the third quarter of 2025 for the first time in almost three years. The banks participating in the survey expect demand to have risen further in the fourth quarter of 2025. For the time being at least, this marks the end of a long downward trend that extended from the fourth quarter of 2022 to the second quarter of 2025.

Credit quality in the Austrian banking sector remained strained in the first half of 2025, albeit at a moderate level. All in all, the share of non-performing loans (NPL ratio) in the Austrian banking sector was around 3.0% at the end of the first half of the year. This represents a slight increase compared with the previous years but remains moderate (first half of 2024: 2.7%). The NPL ratio in the commercial real estate segment in particular was significantly higher (at around 7.8% to 7.9%). In other words, there are still risk concentrations in certain credit segments, although the negative trend in terms of loan losses slowed only slightly in the first half of the year. In this environment, banks responded with more stringent lending conditions and risk assessments, especially for corporate loans.

The measures taken in the area of foreign currency loans continued to have a positive effect, as reflected in the consistent decline in the volume of these loans to private households and non-financial enterprises since 2008. The volume of foreign currency loans to private households amounted to around EUR 5.63 billion in the second quarter of 2025, down significantly on the previous year (Q2 2024: EUR 6.49 billion).

The household savings ratio changed considerably between the second quarter of 2023 and the second quarter of 2025. While it was still relatively low in 2023, it had already increased to around 11.7% of available income in 2024. According to the preliminary data for 2025, the savings ratio remained high in the second quarter of 2025 but was slightly lower than in the previous year, with forecasts indicating a figure of between 10% and 11% for 2025. This propensity to save is driven by the modest growth in real income as well as sustained reluctance among households to engage in consumer spending, preferring instead to save a larger portion of their income even as prices rise.

With interest income remaining robust, Austrian banks again generated substantial profits in the first half of 2025. At around EUR 5 billion, earnings after taxes saw the third highest half-yearly figure in history, although they were down significantly on the previous year (H1 2024: EUR 7 billion).

Solid capitalisation

Banks again increased their resilience in the reporting year by retaining profits. The banks subject to reporting requirements in Austria reported a common equity tier 1 (CET1) ratio of 18.6% as at 30 June 2025 (Q2 2024: 17.71%). This increase was due in particular to the profits generated and the fact that these profits were largely retained, thereby additionally expanding the capital base.

Consolidated earnings situation of Austrian banks:

EUR million	Q2/2025	Q4/2024	Q2/2024	Q4/2023	Q2/2023
Net interest in-	12,739	25,919	12,829	25,465	12,302
Operating profit	7,922	18,727	9,144	18,869	9,132
Earnings after taxes	5,033	10,793	6,966	12,606	7,287

(Source: OeNB)

Deposit protection

Under the Austrian Federal Act on Deposit Protection and Investor Compensation at Banks (ESAEG), the financial consequences of defaults must be borne by the banks themselves. Any payments in the event of a default are financed from deposit protection funds that were endowed annually by the protection schemes' member banks until 2024; the target level has now been reached. According to the Einlagensicherung AUSTRIA (ESA) deposit protection scheme, 75 member institutes in Austria have protected deposits totalling EUR 116 billion.

Note: Due to the available data from the Austrian National Bank, data for the second quarter was applied in preparing this report.

BUSINESS MODEL
OF HYPO VORARLBERG

For decades, the three cornerstones of "corporate banking", "residential construction banking" and "investment banking" have formed the basis on which Hypo Vorarlberg Bank AG (hereinafter: Hypo Vorarlberg) operates sustainably and successfully. The Bank's core expertise relates in particular to residential construction financing, corporate customer business, investment advice and asset management. It operates as a universal bank in its home market of Vorarlberg, offering its customers the full range of products and services, whereas it focuses on selected niches in its core markets outside Vorarlberg.

The Bank's clear objective is to remain the number one in its home market of Vorarlberg. In its core markets outside Vorarlberg, the Group aims to achieve profitable growth. The Managing Board attaches great importance to a risk-conscious lending and business policy. Profitability and stability take precedence over growth at Hypo Vorarlberg. The company takes care to ensure that value added predominantly stays in the regions where it operates. Hypo Vorarlberg offers its employees secure jobs, thereby making an important contribution to the stability and effectiveness of the economic system in its core markets.

In addition, Hypo Vorarlberg assumes its social responsibility by supporting culture and sport in the markets it serves in the form of sponsorship and long-term partnerships. With the Hypo Vorarlberg donation fund, the Bank also provides financial assistance to people experiencing personal hardship and supports various social institutions and regional cultural projects.

BUSINESS SEGMENTS

Corporate Customers
One focus of Hypo Vorarlberg's business activities is corporate customer business. Vorarlberg and the surrounding regions are characterised by a very SME-dominated economic structure with a high export ratio. Hypo Vorarlberg supports these companies in all financial issues that are relevant to them. The Bank has particular expertise in the areas of investment and project financing, subsidies, foreign services, working capital financing and as a provider of alternative forms of financing and in investment.

Private Customers and Private Banking
Hypo Vorarlberg offers private customers extensive services with a focus on residential construction financing, pension advice and investment advice. Customers benefit from individual, flexible solutions as well as fair and transparent conditions. Regular recommendations by customers motivate the Bank to continue on the path it has adopted moving forward.

The varied product range is oriented towards customers' needs in all areas and offers contemporary solutions through the use of flexible optimisation concepts adapted to the market situation in asset management, the use of viable alternatives to the money market in the investment business, further developments in online banking in payment transactions and, not least, through tailored financing.

Treasury / Financial Markets
The Financial Markets business segment is responsible for securities investments for Hypo Vorarlberg's own account, asset/liability management and funding via the money and capital markets, money and foreign exchange trading, and custodian bank activities for investment funds. It also provides a wide range of services for customers and different groups within the Bank, including the trading and settlement of securities and money, foreign exchange and interest rate derivatives. Hypo Vorarlberg does not engage in any proprietary trading that is not connected to customer business.

Corporate Centre
The Corporate Centre essentially bundles the subsidiaries and holdings that expand the Bank's service range with banking-related products. In particular, it includes the property and leasing subsidiaries in Austria and Italy and the holdings in comit Versicherungsmakler GmbH and MASTERINVEST Kapitalanlage GmbH.

CORE MARKETS

In addition to its headquarters in Bregenz and 14 other branches in Vorarlberg, Hypo Vorarlberg has additional locations in Vienna, Graz, Wels and Salzburg, as well as a branch in St. Gallen, Switzerland. Following the opening of its Salzburg location in 2021, Hypo Vorarlberg is addressing a growth market with a focus on corporate customers and real estate project business. Details on the branches can be found on the last page of the annual report.

Through these locations, Hypo Vorarlberg is represented in the main economic regions of Austria and in eastern Switzerland. Other core markets are located in southern Germany (Bavaria, Baden-Württemberg). Outside Vorarlberg, Hypo Vorarlberg focuses on niches in corporate customer business, property financing and investment advice.

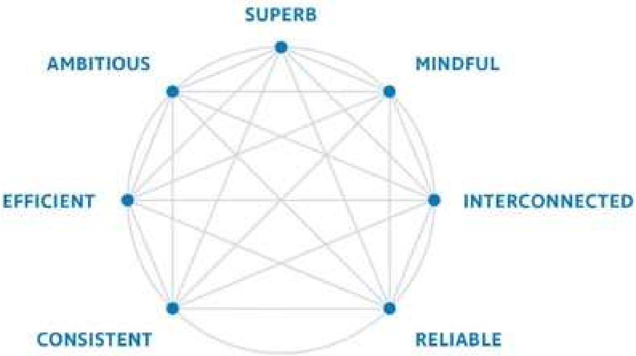
In addition to the traditional banking products, customers can also use other banking-related products and services in the property, leasing and insurance sectors. The subsidiary Hypo Immobilien & Leasing GmbH, based in Dornbirn and Vienna, offers expert knowledge under the Hypo Vorarlberg brand. Hypo Vorarlberg Leasing A.G. in Bolzano, Italy, develops leasing solutions and also has a branch in Como. Hypo Vorarlberg Immo Italia G.m.b.H. offers commercial properties in northern Italy and a range of services in the property sector, including property valuation.

Through its shareholding in comit Versicherungsmakler GmbH, Hypo Vorarlberg's customers benefit from independent insurance solutions. In the investment business, MASTERINVEST Kapitalanlage GmbH acts as a partner and fund manager for Hypo Vorarlberg. The company has been managing investment funds for over 30 years, with customers benefiting from its expertise in fund administration, risk management and reporting.

VALUES

Hypo Vorarlberg's seven core brand values provide guidance for employees, managers and members of the Managing Board.

Hypo Vorarlberg's brand values



AMBITIOUS
We are continuously developing further while pursuing demanding goals and striving for top performance.

SUPERB
We offer excellent services every day and are delighted that they are recognised and recommended.

MINDFUL
We are attentive, have a genuine interest and ensure a stable environment thanks to our forward-looking approach. We only do business that we are happy to represent to the outside world.

CONSISTENT
From the beginning we have remained true to ourselves, focused on our core business and pursued continuous, sustainable growth.

EFFICIENT
We seek intelligent solutions to enable us to achieve the best possible results as efficiently as possible.

INTERCONNECTED
We are a key part of the region and make a specific contribution to the well-being of the people and companies in our markets. Internally, we are interconnected and operate as one bank.

RELIABLE
We have been a trustworthy partner for our customers, our employees and the state for over 125 years.

Together with its subsidiaries, Hypo Vorarlberg puts its identity and values into practice both internally and externally. A clear brand architecture and uniform design guidelines are aimed at ensuring that brand awareness in Vorarlberg and the other core markets is strengthened and expanded.

Positioning
Based on its core competencies, Hypo Vorarlberg is positioned as follows: "As the entrepreneurial bank from Vorarlberg, we offer corporate and private customers a forward-looking financial solution for everyone with a plan and who is focused on achieving their objectives and aspirations thanks to our proximity to people, our superior advice in a private setting and our excellent financial products."

SUCCESSFUL BUSINESS DEVELOPMENT

IMPRESSIVE RESULTS IN A CHALLENGING 2025

INCOME DEVELOPMENT

Hypo Vorarlberg recorded clear growth in its earnings before taxes in 2025. The ECB's interest rate policy and the rate cuts in the first half of the year led to a significant reduction in net interest income. As in the previous year, net fee and commission income saw encouraging growth. The development of the yield curve led to valuation gains on economic hedges of interest rate risks. Administrative expenses increased by around 4.2%. While staff costs rose by 6.5% due to inflation-related salary adjustments and workforce expansion, the dynamic growth in material expenses in recent years was curbed thanks to cost reduction measures. As a result, material expenses increased by just 0.3% year-on-year. Thanks to this and the lower level of expenses for loan loss provisions and impairments of financial assets, the Group's earnings before taxes increased by 21.5% year-on-year to TEUR 70,516 (2024: TEUR 58,058). Net income for the year after taxes amounted to TEUR 53,248 in 2025 (2024: TEUR 42,450).

The year-on-year development of the individual income statement items is as follows:

TEUR	2025	2024	Change
Net interest income	209,155	233,693	-10.5%
Net fee and commission in-	39,834	38,950	2.3%
Administrative expenses	-138,150	-132,564	4.2%
Loan loss provisions and impairment of financial assets	-18,292	-66,209	-72.4%
Impairment of non-financial assets	-1,599	-666	>100%
Earnings before taxes	70,516	58,058	21.5%
Net income for the year	53,248	42,450	25.4%

Net interest income

The impact of the ECB's key interest rate cuts in the first half of the year can also be seen in interest income and expenses. The change compared to the previous year led to a significant year-on-year reduction in net interest income of 10.5% to TEUR 209,155 (2024: TEUR 233,693).

Net interest income
in TEUR

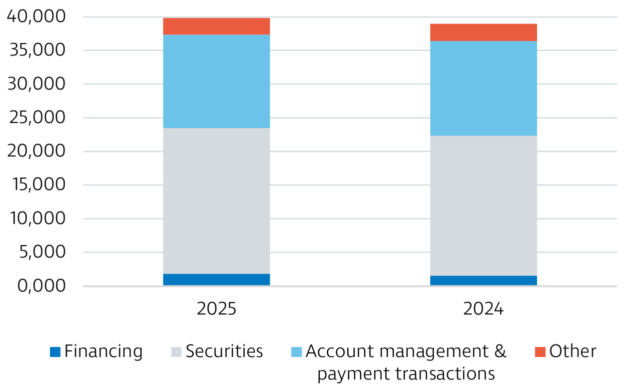
Net fee and commission income

Hypo Vorarlberg's net fee and commission income increased by 2.3% year-on-year to TEUR 39,834 in 2025 (2024: TEUR 38,950).

Due to the lower business volume of off-balance-sheet commitment and guarantees, fee and commission income in lending business was down slightly on the previous year's level, falling by 7.2% to TEUR 5,241 (2024: TEUR 5,647). By contrast, fee and commission income from securities business saw a substantial year-on-year increase of 3.4% to TEUR 24,070 in 2025 (2024: TEUR 23,272) thanks to the successful performance of the customer assets managed by the Bank as well as the higher number of transactions. Fee and commission income from account management and payment transactions developed slightly negatively compared with the previous year, amounting to TEUR 15,378 (2024: TEUR 15,484). Total fee and commission income increased by 0.6%, from TEUR 47,139 in 2024 to TEUR 47,403 in 2025.

Provision expenses declined compared to the previous year due to lower guarantee commission for syndicated loan business and for the synthetic securitisation of Hypo Vorarlberg's loans and advances as a result of the maturing volume.

Structure/development of net fee and commission income
in TEUR



Net result from financial instruments at fair value

The net result from financial instruments at fair value was heavily influenced by the steepening of the yield curve in 2025. Economic interest rate hedges at portfolio level and not included in macro-hedge accounting had a positive effect on the net result from financial instruments at fair value. The measurement effects for interest rate swaps not included in macro-hedge accounting amounted to TEUR 16,526 in 2025 (2024: TEUR -11,812). The nominal volume of these interest rate swaps was TEUR 1,016,443 as at 31 December 2025 (2024: TEUR 1,147,378). Interest rate options entered into to hedge interest limit loans also are not included in macro-hedge accounting. The volume of collars was TEUR 225,614 as at 31 December 2025 (2024: TEUR 227,004). The measurement effect for interest rate options entered into to hedge against interest rate risks was TEUR 7,637 in 2025 (2024: TEUR -5,796). By contrast, the negative effects from the change in credit spreads for financial assets measured at fair value through profit or loss were significantly lower than in the previous year at TEUR -62,865 (2024: TEUR -10,314). The measurement of holdings and other equity interests resulted in a negative measurement effect of TEUR -1,173 in 2025 (2024: TEUR 7,291).

Other income/expenses

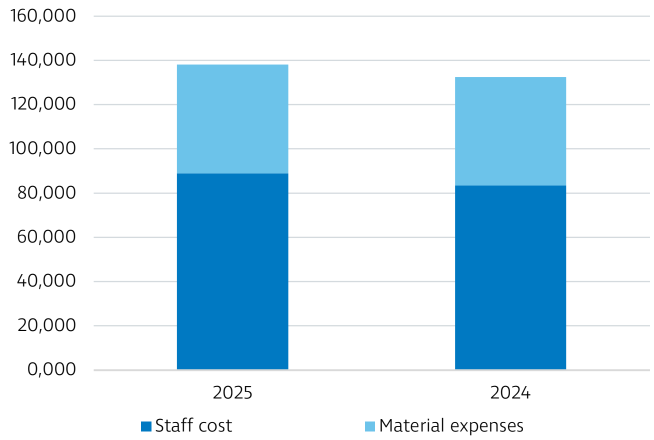
Other income includes income from operating leases, operating cost income or gains on the disposal of non-financial assets. Total other income amounted to TEUR 28,110 as at 31 December 2025 (2024: TEUR 19,533). The increase is due to higher income from instalment purchases as well as reversals of deferred effects of contractual adjustments in lending business with our customers.

Other expenses increased slightly year-on-year to TEUR 26,831 (2024: TEUR 25,086). This amount includes the stability fee of TEUR 9,525 (2024: TEUR 2,810). In the same way as for other income, expenses in connection with instalment purchase agreements increased. As previously discussed, the stability fee also increased in 2025. These developments were offset by a reduction in the addition to provisions for operational risks. Expenses for the deferral of effects of contractual adjustments in lending business with our customers were also lower in 2025, meaning that other expenses increased only slightly overall.

Administrative expenses
The Managing Board pays great attention to keeping corporate structures as lean as possible in order to ensure that costs develop at a constant rate. Nonetheless, administrative expenses increased by 4.2% year-on-year to TEUR 138,150 (2024: TEUR 132,564) as a result of inflation.

Staff costs in the reporting year were also higher than the previous year's level at TEUR 88,916 (2024: TEUR 83,484). The wages and salaries included in this item increased from TEUR 63,020 to TEUR 66,480. Materials expenses saw a very slight increase of 0.3% year-on-year. This was due in particular to the cost reduction measures implemented.

Structure/development of administrative expenses
in TEUR



The number of branches and locations in Austria changed in the reporting year due to the closure of the branch in Rankweil and was 18 as at the end of 2025. There is also a branch in St. Gallen, Switzerland. Details on Hypo Vorarlberg's existing locations can be found on the last page of the annual report.

Employees
Hypo Vorarlberg is an advisory bank and stands out thanks to its high-quality consulting and support for customers. In the interest of sustainable staff development, importance is attached to sound training and development. As a major employer in its core markets, the Hypo Vorarlberg Group employs more than 900 people. The average number of employees (full-time equivalents) increased from 761 to 789 in 2025.

Key employee figures (Group)

	2025	2024	Change
Average number of employees for the year (full-time equivalents)	789	761	3.7%
of which apprentices	6	6	0.0%
of which part-time	168	156	7.7%
Employees at end of year (headcount)	961	938	2.5%
of which women	541	528	2.5%
of which men	420	410	2.4%
Proportion of women (incl.	56.3%	56.3%	0.0%
Proportion of men (incl. ap-	43.7%	43.7%	0.0%
Average length of service in years	12.1	12.0	0.8%
Average age in years	42.2	42.5	-0.7%

Depreciation and amortisation
At TEUR 7,969, depreciation and amortisation was down slightly on the previous year (2024: TEUR 8,184).

Loan loss provisions and impairment of financial assets
Hypo Vorarlberg concentrates on the business areas whose mechanisms and rules it understands and only takes risks that it can manage on its own. The Group has recognised adequate provisions for all discernible risks.

Expenses for loan loss provisions in lending business were significantly lower in 2025 than in the previous year. Since 2018, loan loss provisions have been recognised in accordance with the accounting logic of IFRS 9, which requires impairment to be recognised on the credit portfolio even with good credit ratings. An addition of TEUR 18,292 was required for loan loss provisions and impairment of financial assets in 2025 compared with an allocation of TEUR 66,209 in 2024.

Impairment of non-financial assets
Impairment of non-financial assets increased to TEUR -1,599 as at 31 December 2025 (2024: TEUR -666). This was due to the remeasurement of a property classified as investment property.

Earnings before/after taxes
The Hypo Vorarlberg Group closed 2025 successfully. Due to the effects described above, earnings before taxes increased significantly by 21.5% to TEUR 70,516 as at 31 December 2025 (2024: TEUR 58,058). Earnings after taxes amounted to TEUR 53,248, representing a year-on-year increase of 25.4% (2024: TEUR 42,450).

In addition to the current tax expense for corporate income tax, the amounts reported under taxes on income primarily relate to deferred tax assets and liabilities. Tax expenses for 2025 amounted to TEUR 17,268 (2024: TEUR 15,608).

Attributable to non-controlling interests
In total, TEUR 24 (2024: TEUR 16) of the net income for the year after taxes of TEUR 53,248 (2024: TEUR 42,450) is attributable to the minority shareholders of the Group subsidiaries.

Dividends of Hypo Vorarlberg
The net profit according to UGB reported by Hypo Vorarlberg for the 2025 financial year amounted to TEUR 29,361 (2024: TEUR 52,027). After the allocation to reserves and including the profit carried forward from the previous year, the net retained profit available for appropriation amounted to TEUR 11,719 (2024: TEUR 10,136). Subject to approval by the Annual General Meeting and taking further developments up until the time of this resolution into account, a dividend of EUR 37 per eligible share is proposed based on the share capital of TEUR 162,152. This results in a total distribution of TEUR 11,719 for 316,736 shares.

Key management indicators

	2025	2024	Change
Return on equity (ROE)	4.74%	3.98%	19.1%
Cost-income ratio (CIR)	56.11%	53.07%	5.7%
Return on total assets	0.35%	0.27%	29.6%
T1 capital ratio (T1)	16.95%	16.76%	1.1%
Total capital ratio	18.95%	19.30%	-1.8%

In its financial reporting, the Group also uses alternative key indicators that are not defined in the IFRS or CRR regulations to present its financial position and results of operations. These key indicators should not be considered in isolation, but rather as supplementary information. They are often used in the financial sector to analyse and describe companies' financial position and results of operations. However, it should be noted that the definitions can vary from company to company. For this reason, the key indicators used by the Group are defined below.

Cost-income ratio (CIR) – This shows a company's costs in relation to its income, thus providing a clear picture of its operating efficiency. Banks use this key indicator for corporate management and to compare their efficiency with that of other banks. The CIR is calculated as the ratio of administrative expenses and depreciation and amortisation to operating income. In order to reflect operating efficiency as accurately as possible, measurement effects from financial instruments are largely excluded from this calculation based on the method prescribed by the Austrian Banking Act (BWG).

Return on equity (ROE) – This is a profitability indicator for management and investors that is calculated as the ratio of earnings before taxes as reported in the income statement to available equity at the beginning of the financial year less the planned distribution amount. ROE shows the Bank's profitability in relation to the available equity for the year.

Return on assets (ROA) – This is a profitability indicator that measures how effectively a company can manage its assets in a given period. It represents the ratio of earnings before taxes to average assets (based on the average of total assets at the current reporting date and at the time of the last consolidated financial statements).

BALANCE SHEET DEVELOPMENT

Changes in assets

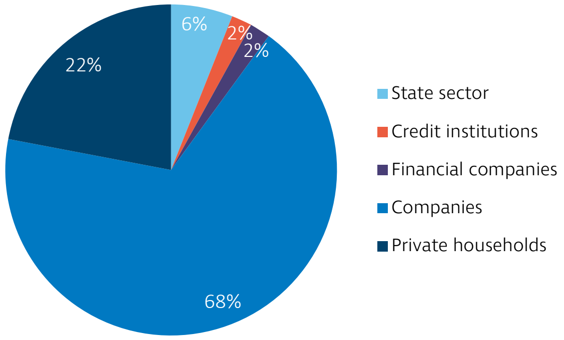
As a strong financing partner for the people and companies in its core markets, loans and advances to customers constituted the largest item of Hypo Vorarlberg's assets. In the 2025 financial year, Hypo Vorarlberg's total consolidated assets increased slightly by 0.9% year-on-year to TEUR 15,380,414 as at 31 December 2025 (2024: TEUR 15,250,325).

Financial assets

As at 31 December 2025, loans and advances to customers across all measurement categories totalled TEUR 11,228,763 (2024: TEUR 11,137,709), most of which was accounted for at amortised cost.

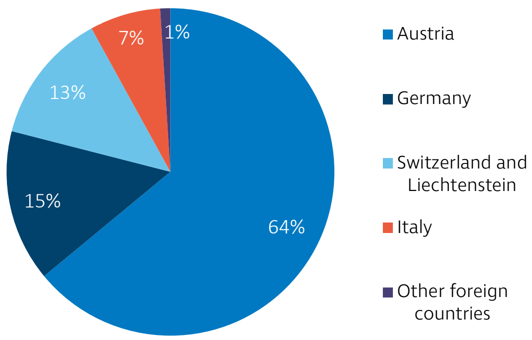
In the reporting year, loans and advances to banks decreased by 22.0% to TEUR 183,423 (2024: TEUR 235,195). This was due to a decline in cash collateral provided to counterparties, which was no longer required on account of the lower market values of derivatives, as well as to a reduction in medium-term money market investments. Financial assets also include bonds, whose volume amounted to TEUR 2,844,700 as at 31 December 2025 (2024: TEUR 2,687,907).

Loans and advances to customers and banks – by sector



Loans and advances of TEUR 11,412,186 in total across all measurement categories predominantly consist of loans and advances to companies and private households and were 0.3% higher than in the previous year (2024: TEUR 11,372,904). While financing for companies increased, there was a decline in loans and advances to private households.

Loans and advances to customers and banks – by region



The largest part of Hypo Vorarlberg's lending business is in Austria with a share of 64%, followed by Germany with 15%. The remaining loans and advances to customers primarily relate to customers from Switzerland and Italy (mainly leasing).

The issue of Swiss franc loans at locations other than the St. Gallen branch has been extremely limited in recent years, especially in the Private Customers segment. As at 31 December 2025, Hypo Vorarlberg reported loans and advances to customers in Swiss francs totalling TEUR 1,712,789 (2024: TEUR 1,572,657). Most of these loans and advances to customers relate to the St. Gallen branch and thus do not represent a foreign currency risk. Cross-border commuters in Vorarlberg should also be taken into account, which further reduces the economic view of this risk. The share of foreign currency financing in the Private Customers segment (predominantly in CHF) is steadily decreasing, with the increase in the reporting year being due to credit growth at the branch in St. Gallen.

Cash reserve

The cash reserve includes cash on hand and balances with central banks. This item declined from TEUR 509,933 in the previous year to TEUR 433,133 as at 31 December 2025, mainly on account of a lower balance at the OeNB.

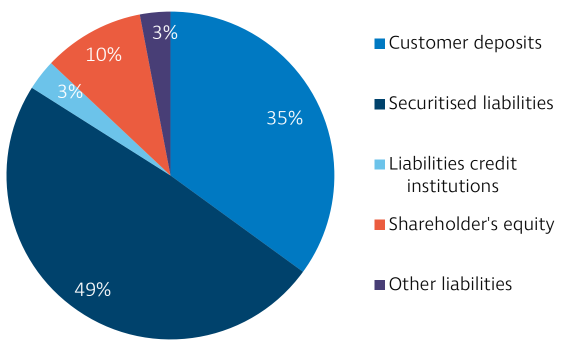
Trading assets

In the reporting year, trading assets increased slightly from TEUR 104,076 to TEUR 106,635 due to the measurement of derivatives. The increase in market values is due to the steepening of the yield curve.

Changes in liabilities

Financial liabilities at amortised cost – which account for the largest share of the liabilities in the balance sheet – increased by 0.7% to TEUR 12,634,112
(2024: TEUR 12,543,471). While deposits from customers increased significantly by 5.3% to TEUR 5,234,233, securitised liabilities in particular declined due to more restrained issuing activity.

Balance sheet structure / balance sheet liabilities



This graph illustrates Hypo Vorarlberg's sustainably established and balanced refinancing structure. TEUR 5,342,001 of the total liabilities of TEUR 15,380,414 related to deposits from customers (savings, demand and term deposits) as at 31 December 2025, representing a year-on-year increase of 5.1% across all measurement categories.

In the reporting year, securitised liabilities – which are predominantly mortgage bonds and bonds – decreased from TEUR 7,805,145 to TEUR 7,703,605.

Shareholders' equity increased by 2.6% year-on-year to TEUR 1,535,421 (2024: TEUR 1,496,857). The remaining share of liabilities amounted to TEUR 397,838 (2024: TEUR 427,236). This decrease was also mainly due to measurement effects relating to derivatives as a result of the steepening yield curve.

CHANGES IN OWN FUNDS

Composition of own funds according to CRR and capital ratios

TEUR	31.12.2025	31.12.2024	Change
Total risk exposure amount	**9,449,086**	**9,012,648**	**4.8%**
Common equity tier 1 capital (CET1)	1,497,665	1,460,589	2.5%
Additional core capital (AT1)	103,702	50,020	>100%
Tier 1 capital (T1)	**1,601,367**	**1,510,609**	**6.0%**
Tier 2 capital (T2)	189,348	228,611	-17.2%
Own funds	**1,790,715**	**1,739,220**	**3.0%**
CET1 capital ratio (CET1)	15.85%	16.21%	-2.2%
Surplus of CET1 capital (CET1)	1,072,456	1,055,021	1.7%
T1 capital ratio (T1)	16.95%	16.76%	1.1%
Surplus of T1 capital (T1)	1,034,421	969,851	6.7%
Total capital ratio	18.95%	19.30%	-1.8%
Surplus of total capital	1,034,788	1,018,209	1.6%

The new requirements of CRR III came into force at the start of the year. As expected, this led to a reduction in the capital ratios as the statutory provisions regarding the risk weighting of assets have changed considerably. In light of the risk profile, the figures remain comfortable. The Managing Board is continuing to focus in particular on strengthening capital adequacy in order to ensure an excellent credit rating for the future, and hence favourable refinancing conditions.

All in all, tier 1 capital (T1) rose to TEUR 1,601,367 as at 31 December 2025 (2024: TEUR 1,510,609), whereas eligible tier 2 capital (T2) declined to TEUR 189,348 (2024: TEUR 228,611). Hypo Vorarlberg's total own funds increased by 3.0% year-on-year to TEUR 1,790,715 as at 31 December 2025 (2024: TEUR 1,739,220). This means they are well in excess of the minimum required by law (CRR). The total capital ratio fell to 18.95% as a result of CRR III coming into force at the start of the year (2024: 19.30%). The issue of an AT1 bond meant that the tier 1 (T1) capital ratio increased to 16.95% at the end of the year (2024: 16.76%). The common equity tier 1 (CET1) ratio declined from 16.21% to 15.85%. The total risk exposure increased significantly from TEUR 9,012,648 to TEUR 9,449,086 due to the new statutory requirements. Hypo Vorarlberg intends to further increase its capitalisation in future in line with the Managing Board's plans for sustainable growth and the expectation of new regulatory requirements.

DISCLOSURE IN ACCORDANCE WITH SECTION 243A OF THE AUSTRIAN COMMERCIAL CODE (UGB)

Share capital and share denominations

Hypo Vorarlberg's subscribed capital is unchanged at TEUR 162,152. As at 31 December 2025, the number of no-par value shares issued was unchanged at 316,736.

Shareholder structure

The percentage breakdown of Hypo Vorarlberg's capital as at 31 December 2025 was unchanged against the previous year as follows:

Shareholders	Total shares
Vorarlberger Landesbank-Holding	76.8732%
Austria Beteiligungsgesellschaft mbH	23.1268%
- Landesbank Baden-Württemberg	15.4179%
- Landeskreditbank Baden-Württemberg Förderbank	7.7089%
Share capital	100.0000%

HYPO VORARLBERG RATINGS

Moody's

The rating agency Moody's rates Hypo Vorarlberg as A3 (outlook: negative). A subordinated debt rating of Baa3 has been issued, while the short-term rating is P-2. The change in the outlook from "stable" to "negative" reflects the expectation that higher risks costs could impact Hypo Vorarlberg's financial profile over a prolonged period.

ISS ESG

In its rating process, the sustainability rating agency ISS ESG gathers and assesses information on companies' social and environmental performance. In May 2017, Hypo Vorarlberg improved its grade to "C" and no controversies were identified by ISS ESG in any relevant business activities. Since then, the underlying score has steadily improved. Hypo Vorarlberg is thus in the prime segment and among the top 10% in the "public-sector and regional banks" sector. This very good rating illustrates Hypo Vorarlberg's sustainability performance in a quantified form, which can help investors in making investment decisions. Regular updates ensure that the ratings remain current.

A detailed list of all ratings in this area can be found in Hypo Vorarlberg's non-financial report.

CHANGES IN THE MANAGING BOARD OF HYPO VORARLBERG

The 2025 financial year at Hypo Vorarlberg was dominated by a change in the Managing Board. Stephan Sausgruber took over as the Managing Board member with responsibility for Sales on 1 May. He succeeded Wilfried Amann, who stepped down to retire. Thanks to his many years of sales expertise, especially in business with corporate customers, Stephan Sausgruber will ensure consistency with regard to Hypo Vorarlberg's continued orientation as an advisory bank. The existing allocation of responsibilities among the Managing Board members has not changed as a result of the new appointment.

Another change in the Managing Board will take place by the end of 2026: The long-standing Chairman of the Managing Board, Michel Haller, will not apply for a further extension to his contract, which expires on 31 December 2026. The Nomination Committee of the Supervisory Board has been engaged in identifying his successor as Chairman of the Managing Board since November 2025.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

In late February 2026, the United States and Israel took out the top leadership of the Islamic Republic of Iran in a focused operation. In the meantime, the conflict has escalated and other Gulf states have now been affected. The trigger was the negotiations on Iran's rocket and nuclear program, which were facilitated by Oman. There has since been a conflagration of the conflict encompassing the United Arab Emirates, Saudi Arabia and Lebanon. Iran closed the Strait of Hormuz in response to the conflict. Oil and gas tankers have been stranded in the region since early March 2026 as it is no longer possible to pass through the Strait of Hormuz. In some cases, oil and gas prices rose by as much as 25% in the space of a week, impacting the global economy and private households. It is not currently possible to forecast the next steps in the conflict. Hypo Vorarlberg does not have any exposures in Iran.

We do not currently anticipate a protracted war. Short-term fluctuations in energy prices should not have any perceptible impact on the Bank's risk costs. The consequences of the war lasting for longer than anticipated are hard to forecast. However, they would likely involve increased uncertainty and higher risk costs.

DEVELOPMENT
BY BUSINESS SEGMENT

CORPORATE CUSTOMERS

As a corporate bank, Hypo Vorarlberg primarily positions itself within the Corporate Customers segment as a banking partner for real estate companies, industrial companies and mid-sized businesses. This segment also supports self-employed persons and municipal customers. With its particular expertise in investment and project financing, real estate financing, developer financing, subsidies, foreign services and working capital financing, Hypo Vorarlberg has established itself in its core markets of Austria, Southern Germany (Bavaria, Baden-Württemberg) and German-speaking Switzerland and is the leading corporate bank in Vorarlberg.

The 2025 financial year was another challenging one for the Corporate Customers segment at Hypo Vorarlberg. Persistently weak economic development in the core markets had a pronounced adverse effect on investment activity and increasingly led to many companies finding themselves in economic difficulties. Demand for lending in the core markets remained below-average in 2025. One exception was the Swiss market, which saw encouraging growth. Despite high levels of scheduled and unscheduled repayments, the overall credit volume was broadly maintained at the prior-year level. Loans and advances to customers increased slightly year-on-year to TEUR 7,839,164 (2024: TEUR 7,719,874).

It was necessary to recognise higher loan loss provisions for outstanding loans compared to the years prior to the economic slowdown as a growing number of companies have seen a deterioration in their creditworthiness. However, these provisions were already significantly lower in 2025 than in the previous year. Deposit-taking business also saw encouraging growth, reflecting the consistently high level of confidence that corporate customers have in Hypo Vorarlberg.

The difficult market environment had an impact on the earnings situation in the Corporate Customers segment. Net interest income amounted to TEUR 99,544 as at 31 December 2025, down 4.6% on the previous year (2024: TEUR 104,361). Net fee and commission income also decreased slightly year-on-year to TEUR 14,692 (2024: TEUR 14,878). Thanks to the lower loan loss provisions, total earnings before taxes in the Corporate Customers segment were positive at TEUR 37,031 (2024: TEUR -17,816).

PRIVATE CUSTOMERS

In the Private Customers segment, Hypo Vorarlberg offers extensive services with a focus on residential construction financing, securities investment, pension advice and investment advice. Customers benefit from individual, flexible solutions as well as fair and transparent conditions. The focus is not on selling products, but rather on providing an overall solution that is tailored to the customer. The claim "Best advice for everyone with a plan" is aimed at emphasising the Bank's consistent customer focus.

One key area of Hypo Vorarlberg's private customer business is residential construction financing. Although the Bank Real Estate Financing Measures Regulation (KIM-V) officially expired in 2025, it effectively remains in force on a permanent basis thanks to a recommendation by the Austrian Financial Market Authority (FMA). Demand for residential construction financing rose further, but pressure on conditions also increased. The volume produced was roughly in line with 2024, whereas unscheduled repayments were significantly higher than expected.

As a result, the total volume of loans in the Private Customers segment declined by TEUR 25,413 year-on-year to TEUR 2,201,874 (2024: TEUR 2,227,287).

Hypo Vorarlberg again issued its own bonds on the retail market in 2025 with considerable success.

In 2025, Hypo Vorarlberg generated net interest income of TEUR 68,804 in the Private Customers segment (2024: TEUR 81,178). Net fee and commission income saw slight year-on-year growth to TEUR 25,246 in 2025 (2024: TEUR 24,620). Overall, Hypo Vorarlberg generated earnings before taxes of TEUR 32,273 in the Private Customers segment in 2025 (2024: TEUR 46,849).

To cater to customers' changing needs and requirements, Hypo Vorarlberg also offers supplementary online services in addition to its regionally differentiated physical presence on the market. It does this using an omnichannel strategy under which online solutions are available to supplement branch operations. Hypo Vorarlberg continues to put customer satisfaction at the heart of its work. This is also reflected in its customers' high level of willingness to recommend the Bank.

Private Banking and Asset Management

Private Banking supports high-net-worth individuals and selected institutional customers. The varied product range is oriented towards customers' needs in all areas and offers contemporary solutions through the use of flexible optimisation concepts adapted to the market situation in asset management and viable alternatives to the money market in the investment business. In terms of products and solutions, the most important assets are the high degree of professional qualification and dedication of the Bank's consultants and employees.

As a result, Hypo Vorarlberg is one of the leading asset managers in the German-speaking region and was awarded the highest grade, "summa cum laude", by the trade journal Elite Report for the fourteenth time in a row. This accolade is an endorsement of our chosen path of being a bank that provides individual and high-quality advice while also offering innovative, contemporary products and solutions to address the challenges of the capital markets and regulations as well as the high overall cost pressure.

Asset Management

Asset Management business developed positively in the 2025 reporting year despite the turbulence on the capital markets, with asset management strategies enjoying increased customer demand thanks to their impressively stable performance. A total of 2,730 mandates were managed as at 31 December 2025 (2024: 2,437). By contrast, total assets under management increased on the back of good portfolio management services and a generally positive capital market environment, amounting to TEUR 1,244,109 at the end of 2025 (2024: TEUR 1,110,051).

As an asset manager, Hypo Vorarlberg has set itself the goal of taking account of environmental, social and governance-related sustainability criteria (ESG). Hypo Vermögensverwaltung integrates these ESG factors in its selection of target funds and individual securities. In particular, exclusion and quality criteria are applied when selecting securities, meaning that the asset management strategies and Hypo Vorarlberg funds currently on offer take environmental and social aspects as defined in Article 8 of Regulation (EU) No. 2019/2088 into account. To this end, Asset Management has prepared and published its own ESG investment approach.

FINANCIAL MARKETS/TREASURY

Despite the political and economic turbulence, 2025 was a positive year for the Financial Markets business segment. The European interest rate market largely developed in line with market expectations and the yield curve is no longer inverted. With money market and capital market rates returning to normal, the interest rate structure contribution declined as expected and was slightly below the ambitious targets. Due to the weak volume development in lending business, capital market funding was reduced and is lower than forecast.

APM & Investments
A net volume of approximately TEUR 549,470 was invested in bonds by the APM & Investments unit in 2025 as a whole (2024: TEUR 463,982). The weighted remaining term of these new investments was 13.1 years (2024: 12.9). The average asset swap spread of the securities purchases was 81 basis points (2024: 57 basis points), while the average rating for the new purchases was AA-.

The 2025 reporting period was characterised by political issues, economic uncertainty and challenges affecting public finances. This paved the way for conservative investments at attractive margins. Major decision-making criteria for new investments included LCR eligibility, eligibility for the public cover pool and ECB eligibility.

Funding & investor relations
In the reporting period, 18 (2024: 25) new issues were placed with a total volume of around TEUR 721,681 (2024: TEUR 859,738). This included the following issues:

In May 2025, a seven-year mortgage-backed bond with a volume of TEUR 500,000 and a re-offer premium of mid-swap + 48 basis points was placed on the capital market with considerable success. To strengthen the capital base further, a publicly placed additional tier 1 (AT1) bond with a volume of CHF 50 million and a coupon of 4.375% p.a. was issued on the Swiss capital market in November 2025.

In addition, ten private placements with a volume of TEUR 57,832 were issued, with nine being documented via debt issuance programs and one as a registered bond.

In addition, six new retail bonds with a total volume of TEUR 110,000 were issued. These included three fixed-interest bonds and three fixed-interest housing construction bank bonds, with the three fixed-interest bonds being placed as tap issues.

Money, foreign exchange and interest rate derivatives trading
Between the end of 2024 and the end of 2025, readily accessible short-term liquidity decreased by around TEUR 75,000 to TEUR 345,000 (2024: TEUR 420,000). In addition, extensive collateral is available for repo and tender transactions in money market trading. Hypo Vorarlberg thus has comfortable liquidity buffers. As usual, there was a very wide fluctuation range for readily accessible short-term liquidity. This was due to large-volume transactions such as issuances, foreign exchange and money market transactions and major customer transactions.

Customer securities trading
Customer securities turnover amounted to TEUR 2,023,098 in 2025 (2024: TEUR 1,491,992). This meant that customer securities turnover increased by TEUR 531,106 or 35.6% compared with the previous year. The turnover of the Fund Service (fund custodian bank) and Treasury departments are not included in the reported customer securities turnover.

Fund Service
The custodian bank volume under management fell from TEUR 10,977,614 to TEUR 10,455,466, corresponding to a year-on-year decrease of TEUR -522,148 or -4.8%. Two special funds (AIF) and three mutual funds (UCITS) were wound up in the past reporting period. In addition, one special fund (AIF) was transferred to another custodian bank.

OTC Derivatives and Money Market Management
As at the end of 2025, the OTC Derivatives and Money Market Management unit managed 1,435 (2024: 1,446) swaps, interest rate options and currency options with a nominal volume of around TEUR 14,833,901 (2024: TEUR 15,192,186). This represents a decrease of TEUR 358,537 as compared to 2024. In the same period, the value of cash collateral increased by TEUR 62,054 to TEUR 144,748 in 2025 (2024: TEUR 82,694). A negative collateral balance indicates that collateral has been provided to the counterparty, while a positive collateral balance indicates that collateral has been received from the counterparty.

Net interest income in the Financial Markets segment amounted to TEUR 13,663 in 2025 (2024: TEUR 20,218). Net fee and commission income saw a slight decline of TEUR 146 to TEUR 1,994 (2024: TEUR 2,140). Segment earnings before taxes amounted to TEUR 29,853 (2024: TEUR 4,291).

CORPORATE CENTRE
In addition to the business segments listed above, the Corporate Centre segment includes finance lease business, real estate administration and management and the Group's other holdings. The segment's earnings contribution amounted to TEUR -28,641 in 2025 (2024: TEUR 24,734). The reduction is due in particular to effects from the measurement of holdings, the change in the credit spread of loans measured at fair value and the impairment of non-financial assets.

SUBSIDIARIES
AND HOLDINGS

HYPO IMMOBILIEN & LEASING GMBH

Hypo Vorarlberg's entire Austrian and Swiss leasing and real estate business is combined in the Hypo Immobilien & Leasing subgroup. Hypo Immobilien & Leasing GmbH offers services within the Group and to its customers ranging from real estate brokerage through property valuation, construction and property management to facility management. It offers financing solutions for private customers, corporate customers and the public sector in the areas of vehicle, movable asset and real estate leasing. Hypo Immobilien & Leasing GmbH has its headquarters at the Hypo Office in Dornbirn.

Real estate brokerage services are offered at the locations in Bregenz, Dornbirn, Bludenz and Feldkirch. Leasing customers in Austria and Switzerland are supported by the product specialists and sales teams in Dornbirn and Vienna, while Hypo Vorarlberg's consultants offer the full range of leasing solutions to customers. A property valuation team is also based in Vienna and in Vorarlberg. The team performs valuations for Hypo Vorarlberg, particularly for financing purposes. As at 31 December 2025, the company had a headcount of 47 employees (2024: 48).

For 2025, Hypo Immobilien & Leasing GmbH reported earnings before taxes of TEUR -160 (2024: TEUR 551). The consolidated earnings before taxes attributable to the companies of the Hypo Immobilien & Leasing subgroup included in the consolidated financial statements amounted to TEUR 3,981 as at 31 December 2025 (2024: TEUR 5,341).

HYPO VORARLBERG LEASING A.G., BOLZANO
HYPO VORARLBERG IMMO ITALIA G.M.B.H., BOLZANO

Hypo Vorarlberg Leasing A.G., based in Bolzano, develops leasing solutions in the areas of real estate, renewable energy and movable assets. The company has been offering its products and services on the northern Italian market for more than 30 years and also has a branch in Como.

In 2025, the Italian leasing market reported growth in new business of 5.8%, from EUR 33.4 billion to EUR 36.1 billion in total. Real estate leasing – which is the most important area for Hypo Vorarlberg Leasing A.G. – grew by 5.9% throughout Italy. At the same time, vehicle leasing increased by 0.9% and machinery leasing recorded strong growth of 15.2%.

In this positive market environment, Hypo Vorarlberg Leasing A.G. generated a new volume of EUR 120.2 million in 2025 (2024: EUR 81.2 million). As in previous years, particular emphasis was placed on top-quality lessees, leased assets with good recoverability and appropriate advance payments and collateral. The focus was on real estate and movable asset leasing projects in Trentino-South Tyrol, Veneto and Lombardy. In 2025, Hypo Vorarlberg Leasing A.G. generated net interest income of TEUR 11,164 (2024: TEUR 12,392). Its profit before taxes amounted to TEUR 3,640 (2024: TEUR 4,852).

The company continued to intensively address ESG issues in 2025, with a particular focus on the decision on a suitable data supplier and participation in a data capture project organised by the association of leasing companies. The implementation of the European Digital Operational Resilience Act (DORA) for the financial sector is in progress and will come into force in January 2027.

A new volume of EUR 150 million is intended in 2026 in line with strict risk criteria. Major initiatives such as continued increased involvement in the leasing of machinery and equipment for producing renewable energy, as well as intensive support for all market regions including the Veneto region, are intended to enable the ambitious new customer volume to be achieved. As part of a strategic project that began in late 2025, six initiatives have been defined to support customer cultivation and improve the efficiency of contract processing.

Hypo Vorarlberg Immo Italia G.m.b.H.

The commercial property market was stable in 2025. Demand for industrial buildings remained strong, whereas demand for offices and especially shops was more muted. Prices were stable on average, with a slight upward trend in good locations. The number of vacant properties continued to decline in the past year, which is having a positive effect on the market.

Property sales developed well in this positive market environment. In 2025, Hypo Vorarlberg Immo Italia G.m.b.H. sold properties with a value equivalent to TEUR 6,600 (2024: TEUR 5,600). The average sales prices generated were well in excess of the net carrying amounts. The average gross yield for leased properties increased to 11%. The level of rent arrears and rent losses is low.

Hypo Vorarlberg Immo Italia G.m.b.H. reported a net loss before taxes of TEUR -327 for the 2025 financial year (2024: TEUR -657).

COMIT VERSICHERUNGSMAKLER GMBH

comit is the biggest regional insurance broker and can therefore cope better with the growing market and competitive pressure and the stricter regulatory conditions.

Hypo Vorarlberg holds a 40.00% share in comit Versicherungsmakler GmbH; the other owners are VLV (40.00%) and Wälderversicherung (20.00%).

OUTLOOK
FOR THE 2026 FINANCIAL YEAR

CURRENT ENVIRONMENT
According to WKO forecasts, the Austrian economy looks set to have returned to a moderate growth path following a two-year recession. In December 2025, domestic economic output was expected to have risen by +0.5% (WIFO, IHS).

The institutes are predicting stronger growth for the Austrian economy in 2026 (WIFO: +1.2%, IHS: +1.0%). This would be in line with the euro area average. More favourable credit financing conditions, a growing need for replacement investments and an improved economic outlook for industry are likely to support investment activity. However, the expected upturn in exports and the development of industry remain susceptible to setbacks. Both of the institutes note that the economic recovery is weaker than in previous upswings. This is due to the loss of international competitiveness and growing protectionism in world trade. Inflation will fall by up to one percentage point at the start of 2026 due to the elimination of the base effect of the energy price rise in the previous year. However, it is set to remain above the ECB target and the eurozone average in 2026 (WIFO: 2.6%, IHS: 2.5%).

There also remain considerable risks in connection with geopolitical and trade policy developments as well as the loss of international competitiveness.

PRIORITIES FOR 2026
The Managing Board places great emphasis on making corporate structures as lean as possible and making processes and workflows as efficient as possible. Optimisation and rationalisation projects are implemented at regular intervals, including with a view to tackling the difficult situation on the labour market as requirements increase further. Opportunities presented by digitalisation and artificial intelligence are also to be leveraged. In future, there will be a particular focus on analysing processes and increasing efficiency in this area by way of automation, optimisation and modernisation. Despite increased requirements for IT, organisation and personnel – partly due to regulatory provisions – Hypo Vorarlberg still has a competitive cost-income ratio.

Its capital ratios and capital buffers have improved significantly in recent years, allowing Hypo Vorarlberg to act as a reliable partner to its customers even in the currently challenging situation. Owing to ongoing major uncertainty as a result of the current crises as well as to facilitate further sustainable growth, the Bank is focused on the further development of its strategy, including considerations on entering new business segments and expanding the markets it serves. There is also a continued focus on optimising and improving capitalisation (including by way of guarantee agreements, e.g. with the EIF/EIB Group). Regulatory developments, e.g. in the context of MREL or Basel IV, are also to be taken into account proactively at an early stage.

Hypo Vorarlberg's strategic alignment is based on the following guidelines:

- The company's internal financing capacity is to be increased in order to further strengthen its equity.
- A cost-optimised liquidity supply is to be ensured for the long term.
- Profitability in customer business is to be increased further. In particular, core expertise is to be harnessed even more effectively. This includes strategic and improved cross-selling in business with both private customers and corporate customers in Vorarlberg, as well as targeted, sustainable growth in the market areas outside Vorarlberg.
- Risk diversification is intended and cluster risks will be avoided. In line with the definition of large loans under the CRR, no risk exposures exceeding 10% of the core capital are to be actively taken on in customer business.

Based on these guidelines and objectives, the following strategic priorities have been set for the current strategy cycle and are taken into account accordingly in the strategic alignment of the individual business segments and in the functional strategies:

Continuity and reliability
In the interests of a reliable partnership with its customers, Hypo Vorarlberg's existing successful business model is to be improved further. The focus will remain on customer business. No significant changes in the market and regional portfolio are planned, but the Bank's presence in growth markets outside its home market of Vorarlberg is to be increased.

Organic and sustainable growth
Hypo Vorarlberg aims to keep growing organically and sustainably in the Corporate Customers and Public-Sector Institutions and Private Customers business segments. The growth regions are primarily the core markets outside Vorarlberg, but growth potential in Vorarlberg is to be harnessed as well. In addition, there is a strategic focus on margins and income in all lending business. Given the change in the interest rate environment, deposit business is also increasingly important again. One particular focal point in 2026 will be the further expansion of customer relationships in the area of investments.

Private Banking
Building on the good development in Private Banking and in asset management, the top segment for investment business with companies, entrepreneurs and high-net-worth private customers is being expanded.

Digitalisation
With regard to digitalisation, the strategic focus is on the further development and modernisation of digital applications and processes. The primary goal is to increase efficiency in market cultivation and in processing banking business, firstly in response to changes in customers' expectations in an online environment and secondly to optimise internal processes. Furthermore, digitalisation is an important prerequisite for meeting the constantly increasing regulatory requirements efficiently. The digital transformation is largely driven by a strong IT system that is anchored in the Bank, with the operation of the core banking system and other key banking applications supported by Accenture as a strong international partner that also provides fresh stimulus for innovation and digitalisation.

Productivity and efficiency
The Managing Board continues to attach great importance to productivity and efficiency, particularly in the current banking industry environment with its significant pressure on margins, high expenses for regulatory and IT requirements and high tax burden.

Sustainability
In an environment characterised by global geopolitical tension, armed conflicts and changes due to climate change, the balancing act between social, environmental and economic responsibility is a challenging one. In recognition of this difficult environment, the EU has taken important steps to simplify sustainability legislation, reduce bureaucracy and boost competitiveness with the Omnibus package. Among other things, more simplified reporting requirements (CSRD/EU taxonomy) will ease the burden on companies

without giving up on environmental targets. The Omnibus approach is generally intended to ensure compliance with high sustainability standards while reducing the administrative burden on the economy to a realistic level. These simplifications will enable companies to focus on taking social, environmental and economic responsibility and further developing the role of sustainability in their core business and their strategy.

Research and development

With no independent planned research having been conducted to obtain new scientific or technical knowledge, and no upstream development work for commercial production or use having been carried out, Hypo Vorarlberg does not perform any research and development activities. However, it reviews the effects of economic and market developments on the development of its net assets, financial position and results of operations on an ongoing basis. To survive among the competition, it is not enough just to know the current market conditions; it is also necessary to consider future scenarios. For years, there has been a close partnership with Vorarlberg University of Applied Sciences for the purposes of ongoing development. The cooperation covers issues such as optimising calculation of the cover pool assets, optimum allocation of securities collateral and calculation of stress scenarios and restructuring measures in accordance with the Austrian Federal Act on the Restructuring and Resolution of Banks (BaSAG).

Before the detailed development of a new product or the inclusion of a third-party product in Hypo Vorarlberg's product range, a product and business introduction process is defined to guarantee an orderly approach and identify potential risks in advance.

CURRENT DEVELOPMENTS

After Hypo Vorarlberg's loan exposure to the Signa Group prompted extensive political and public discussion in spring 2024, members of the state parliament called for the Bank to be audited by the State Court of Audit. The State Court of Audit audited the period from 2020 to 2024. The audit focused on control mechanisms, reporting and supervisory obligations, lending and loan monitoring, and the measures taken by the management and supervisory bodies. The interests of the state of Vorarlberg as a shareholder were also examined.

The audit report was presented on 27 May 2025. One of the key findings of the report was that the State Court of Audit confirmed the Bank's successful economic development. In the case of the Signa loans, the report criticised the fact that the risks for one loan had not been addressed to a sufficient extent and that Hypo Vorarlberg Bank's lending process left room for improvement in certain respects. The State Court of Audit also criticised the state of Vorarlberg's participation strategy with regard to the Bank and urged the state of Vorarlberg to define and develop a corresponding strategy.

Hypo Vorarlberg has already adjusted its risk strategy to reflect the recommendations of previous audits. The clear goal for the future is to make the Bank's credit portfolio even more granular. Stricter limits have already been introduced for large loans. Work is now focused on developing and defining a new strategy for the Bank. The executive bodies of the Bank will discuss the strategic issues with the Supervisory Board so that corresponding measures can be initiated as necessary.

EXPECTED EARNINGS DEVELOPMENT FOR HYPO VORARLBERG IN 2026

Hypo Vorarlberg is a very well positioned company that pursues a risk-conscious business model with a strategic focus on the market areas in Austria, Switzerland, Germany and northern Italy.

For 2026, Hypo Vorarlberg expects unchanged interest rates to lead to a cautious economic recovery in the markets served by the Bank, thereby providing a certain degree of support for corporate customer business. This more positive market environment should offer growth opportunities in the areas of financing, deposits and fee and commission income, as well as lower risk costs. Business with corporate and private customers is expected to make a significant contribution to the Bank's total earnings in 2026.

Real estate project business/developer financing will be affected by the persistently muted economic environment. With the number of insolvencies remaining high, it is hard to forecast how risk costs will develop between now and the end of 2026.

The FMA has published a "Circular on sound private residential real estate lending" in which it sets out its expectations and defines the corresponding criteria for private residential real estate financing. These largely correspond to the provisions of the KIM-V, which expired on 30 June 2025. The reporting obligations have also been retained. Despite this, Hypo Vorarlberg expects demand for private real estate financing to increase, including thanks to lower interest rates.

At present, there are numerous indicators that the ECB will not lower interest rates further in 2026. If inflation allows, Hypo Vorarlberg expects the ECB to maintain its key interest rate target of 2% in the course of 2026. It remains to be seen how this situation will affect the number and volume of new loans concluded.

In addition to a sound equity base, Hypo Vorarlberg also has sufficient liquidity reserves and a diversified funding structure, meaning that there are no significant cluster risks where its funding is concerned. 2026 will see capital market maturities of around TEUR 1,275,000 and a planned issue volume of around TEUR 1,162,000. Thanks to the reserves it has recognised and its stable equity position, Hypo Vorarlberg can look to the future with confidence even in the current challenging economic situation.

Hypo Vorarlberg has performed well in the first months of the 2026 financial year, with net interest income and net fee and commission income continuing to make an important contribution to earnings. Staff costs and material expenses are not expected to increase. Risk costs depend to a large extent on the economic and political developments in Hypo Vorarlberg's core markets in the course of 2026.

The Managing Board currently assumes that the company will continue to operate as a going concern based on the measures described above.

RISK MANAGEMENT
AT HYPO VORARLBERG

Hypo Vorarlberg addresses specific banking risks through conservative lending policies, strict valuation rules for loans and advances and appropriate recognition of valuation allowances. The subsidiaries generally use the same rating tools as the parent company. This provides for uniform credit ratings Group-wide. Valuation allowances are recognised for credit risks in connection with loans and advances to customers and banks in accordance with uniform Group criteria.

The reporting year was characterised by uncertainty on the money and capital markets. The value at risk (99%/10 days) reached monthly average levels of up to TEUR 43,018 (2024: TEUR 29,945).

The main market risks at the Bank are interest rate risk and credit spread risk. Share price and foreign currency risks are of minor significance only. The Bank does not have a significant trading book. Regarding the use of financial instruments in accordance with section 243 (3) no. 5 UGB, please refer to the disclosures under V. Notes, section C.

Hypo Vorarlberg utilises the money market for refinancing only to a limited extent. In previous years, the Bank participated in the ECB's medium-term refinancing operations.

Further explanations with regard to financial risks and risk management at Hypo Vorarlberg can be found in the notes. The full disclosure on the organisational structure, risk management and the risk capital situation according to CRR are published on the internet at www.hypovbg.at.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE ACCOUNTING PROCESS

At Hypo Vorarlberg, responsibility for establishing and designing the internal control and risk management system (ICS) lies with the entire Managing Board. Hypo Vorarlberg is distinguished by a clear organisational, corporate, control and monitoring function, which includes in particular the dual control principle, IT-assisted controls, and decision-making powers and monitoring instruments geared towards inherent risk.

The existing internal control system (ICS) is optimised on a continuous basis. Further/new processes are included in the documented ICS in accordance with an assessment of materiality and the level of risk for Hypo Vorarlberg.

Control environment

The Finances unit at Hypo Vorarlberg, which also serves as the Group Accounting function, comprises Bookkeeping/Account Management, Accounting/Reporting, Data and Document Management, and Taxes. The close cooperation between the Finances unit and the Controlling and Group Risk Controlling departments enables uniform and aligned Bank reporting, both internally and externally. The reporting process, together with control measures, are regulated by work instructions, internal process descriptions, ICS documentation and in the Group Manual.

Risk assessment and control measures

As part of the ICS, processes are checked for inherent risk and the existence of traceable, effective and efficient risk mitigation measures and controls, adjusted and, if necessary, supplemented on an ongoing basis at least once a year. Moreover, a continuous control and effectiveness analysis is performed, and any potential improvements identified are implemented.

The financial reporting process is not limited to internal and external reporting but also uses guidelines and methods to govern the collection of data, creation of entries, recognition of transactions and valuation of business and is supported by various software solutions (Arctis, Geos, SAP, B&S, PMS, etc.) in the preliminary stages. These programs offer automatic assistance and checks for correct entry and use. In addition, ongoing manual checks are made in daily business. The propriety, transparency, effectiveness and efficiency of these checks are ensured by ICS monitoring.

Information and communication

Bank reporting takes place almost exclusively on an automated basis using downstream systems and automatic interfaces. This ensures current data for controlling, profit calculations and other assessments. As a result of the close cooperation between the Finances unit and the Controlling and Group Risk Controlling departments, target-actual comparisons are implemented on an ongoing basis. Reciprocal control and coordination between the departments is assured.

Bank decision-makers receive a large number of reports for their monitoring and control functions on a regular basis, e.g. weekly statements, monthly P&L forecasts with interest margin calculations, earnings extrapolations at branch office, unit and Bank level, target-actual comparisons, data on volume and income, ALM, risk and Treasury reports, quarterly costings, and various statistics and analyses.

Periodic reports are submitted to the Supervisory Board on the above basis. At the end of the year, the Bank's annual financial statements are prepared in accordance with the Austrian Commercial Code (UGB)/Austrian Banking Act (BWG) and the Bank's consolidated financial statements are prepared in accordance with IFRS. There are also ongoing supervisory reporting obligations to the OeNB/FMA.

An ICS report is prepared for the Managing Board twice a year and for the Audit Committee once a year containing information on the work performed as part of the ICS. ICS reporting has a bottom-up approach. The records on the implemented controls are completed by the person responsible for the process as they are carried out on an operating basis. Together with the results of the control and effectiveness analysis, these records are combined in the ICS report. They are combined with the findings of Internal Audit to enable a statement to be made on the effectiveness of the ICS.

Monitoring

The quality of the ICS is continually assessed by Internal Audit regarding the reliability, propriety and legality of the accounting process and reporting. Internal Audit cooperates closely with the members of the Bank's Managing Board and the managing directors of the subsidiaries and reports periodically to the Audit Committee of the Supervisory Board and to the Supervisory Board itself.

COMPLIANCE AND PREVENTION OF MONEY LAUNDERING

Hypo Vorarlberg's Compliance department reports directly to the Managing Board. It is tasked with monitoring compliance with statutory supervisory requirements, particularly those under the Austrian Banking Act (BWG), the Austrian Securities Supervision Act (WAG), the Austrian Stock Exchange Act (BoerseG) and the Federal Act on the Prevention of Money Laundering and Terrorist Financing in Financial Markets (FM-GwG).

Compliance

All employees are obliged to comply with the provisions of Hypo Vorarlberg's compliance guidelines. These guidelines are based on the Standard Compliance Code of the Austrian banking industry, the WAG and the BoerseG. Compliance with the regulations is ensured by way of regular, documented audits. New employees receive a comprehensive induction as part of the Hypo Basics, which usually take place on the first two days of the first month of employment. All employees are trained on an ongoing basis, must take a brief test every year and are informed accordingly in the event of changes.

The Compliance department regularly evaluates compliance with the provisions of the Markets in Financial Instruments Directive (MiFID II) along with regulations which were also implemented in the WAG and implements any necessary changes in conjunction with the specialist departments. These regulations protect investors and serve the efficiency and integrity of the market. Regular, documented checks are also carried out.

Prevention of money laundering

Hypo Vorarlberg aims to prevent every form of money laundering and financing of terrorism in connection with its business operations. To achieve this aim, three computer programmes and additional audits are used to check for money laundering. These support employees when classifying customers with regard to money laundering risk and help them to flag suspicious payments. In addition, they ensure compliance with the legal requirements to carry out embargo checks and checks for politically exposed persons.

All employees complete a comprehensive training programme in which they are familiarised with the legal provisions regarding the prevention of money laundering and the financing of terrorism as well as suspicious circumstances that could indicate the existence of such cases. In addition, all new employees receive training as part of their basic induction. All employees who have contact with customers must pass a refresher test every year. In further training, employees are taught about specific provisions and types of money laundering so that suspicious transactions can be recognised. Regular checks are performed at the branch offices, including by Internal Audit.

DATA PROCESSING/IT

Hypo Vorarlberg has outsourced key IT services to Accenture GmbH in Austria (Accenture). Based on a corresponding customer contract, Accenture performs the IT services that were previously performed for Hypo Vorarlberg and other banks by Allgemeines Rechenzentrum GmbH (ARZ) in Innsbruck over many years. In 2022, Accenture acquired the core business of ARZ and the associated assets for performing IT services from the owner banks, which also included Hypo Vorarlberg with a relatively small indirect share. As a competence centre for IT services in the banking industry, Accenture supported key business processes of all banks that were previously customers of ARZ.

As previously, Hypo Vorarlberg's strategy involves bundling key IT services in a banking data centre with other banks in order to generate economies of scale and synergies and harness potential efficiencies through technology.

At the same time, this is reducing the complexity of the Bank's own IT infrastructure, allowing it to concentrate its IT resources on internal optimisation and digital transformation.

In the customer contract, Accenture has undertaken to provide services under a banking-as-a-service model. These services must be provided in compliance with the regulatory requirements and using state-of-the-art technology. ARZ's assets for operating the data centre have been transferred to the Accenture subsidiary TiGital. As previously at ARZ, the central system in the TiGital data centre for day-to-day banking business is the ARCTIS software solution, supplemented by standard solutions such as GEOS, SAP, B+S and others. TiGital is responsible for operating the core banking systems and IT infrastructure.

In addition, a key element of the new customer contract with Accenture is an extensive investment programme to modernise the IT systems in the acquired data centre. Accenture was chosen as the new partner partly because it will cover part of this investment itself and because, as a major international IT provider, it has the necessary expertise and resources to ensure that the modernisation goals are achieved. The main investment programmes relate to the areas of IT security, financial and risk architecture and collaboration systems, as well as enabling the use of cloud services and opening up the core banking system via interfaces.

At Hypo Vorarlberg itself, IT digitalisation and organisational expertise are bundled in a high-performance IT division that takes account of the growing strategic importance of IT for banking business. Pooling expertise in this way increases operating efficiency, while IT is also expected to provide significant impetus for the Bank's digital transformation. With around 80 highly qualified employees, Hypo Vorarlberg IT has the resources to manage the outsourcing partner Accenture, respond to the challenges of digitalisation, identify risks and take advantage of opportunities.

A corresponding IT strategy was adopted in 2021 and is continuously refined. The core of this strategy is the understanding that, in the age of digitalisation, IT plays a central role as a business enabler, especially in the financial sector. This is also the case at Hypo Vorarlberg. This transformation from an internal service provider to an equal business partner goes hand in hand with establishing an agile stance as well as introducing correspondingly agile tools. A fundamental revision of the IT strategy is planned for 2026.

Another part of the IT strategy is the systematic enhancement of the IT systems – both the Bank's internal systems and the Accenture systems – through the aforementioned investment programmes. For its own IT solutions, Hypo Vorarlberg has established the more intensive use of the cloud as a fundamental goal of its IT strategy. The continued aim is to sound out what the strict regulatory conditions allow and which applications are suitable for cloud operation.

Hypo Vorarlberg expects the use of AI to be particularly important over the coming years. The necessary governance for the use of AI at Hypo Vorarlberg has been established and the introduction of a large language model (LLM) in a dedicated software environment has been initiated together with a strong partner. AI use cases such as a chatbot were implemented in early 2026 on the basis of this software solution. The introduction of AI serves as a particularly good illustration of the complex and conflicting priorities facing banks, with a highly dynamic technological environment on the one hand and early and comprehensive regulation on the other.

The following section provides examples of the numerous change-the-bank projects in 2025,
some of which will take several years on account of their scope:

- Modernisation of the Bank's management systems in an "Integrated financial and risk architecture" program lasting several years on the basis of SAP R/4HANA and Wolters Kluwer OneSumX.
- Modernisation of the digitalisation architecture in the branch centre with the establishment of the "digital backbone", including the changeover of applications to an operating infrastructure based on modern cloud technology.
- Regulatory projects still account for a significant portion of the change-the-bank portfolio, with examples including Basel IV, the EU action plan for financing sustainable growth, DORA and Instant Payment.
- Modernising the workplace is also important to Hypo Vorarlberg. For example, it uses a modern collaboration platform comprising Jira/Confluence and M365 that is continuously optimised and expanded. In addition, the comprehensive modernisation of the IT working environment for employees ("Workplace 2.0") together with Accenture was successfully completed in 2025.
- In addition, Hypo Vorarlberg continuously invests in digital channels, particularly due to the constant further development of online banking, along with complementary functions such as digital signatures and digital document exchange. This includes the modernisation of the website, which was fully relaunched in 2025, as the basis for the further expansion of digital customer communication.

Accenture's systems and processes are regularly reviewed by Internal Audit and an external auditing firm. These audits and controlling measures are conducted on the basis of "ISAE 3402 Type 2" and "IWP/PE 14 Type 2" standards and are continuously adapted to reflect changes in conditions. The data centre and Hypo Vorarlberg counter information technology risks with measures such as backup systems, failover mechanisms and suitable security concepts and by providing intensive information to employees. Clear authority and access regulations, the dual control principle and an internal control system are established. Hypo Vorarlberg also focuses on systematic standardisation to reduce complexity and increase cost efficiency in order to remain innovative.

The Digital Operational Resilience Act (DORA) is a new European regulation for the effective and comprehensive management of digital risks in financial markets. It applies to more than 22,000 financial entities and ICT service providers operating within the EU, including Hypo Vorarlberg. DORA came into force on 17 January 2023 and has been applied since 17 January 2025. The aim of this standardised regulation is to ensure the resilience of financial entities in the face of cyber threats and to enable them to respond rapidly and in a targeted manner when serious ICT-related incidents occur. In connection with the implementation of DORA, Hypo Vorarlberg has created or updated the policies that are necessary to ensure compliance with DORA and established the list of ICT third-party providers. These policies are being implemented on the basis of corresponding concepts. Implementation is accompanied by further internal information and training measures.

The St. Gallen branch still has an IT system that is designed primarily for Swiss requirements and that is independent from the overall bank.

IT operations at the St. Gallen branch are provided by a Swiss standard software solution, "FINNOVA". The "FINNOVA" inventory management system is supplemented by other peripheral systems that support processes in specific areas.

At the end of 2022, a change in the main IT service provider was made together with three other Swiss regional banks, although the core banking application itself remains "FINNOVA". IT-related procurement is bundled in the NOVUS Group. If a bank leaves the Group, the impact on costs is carefully analysed and measures are taken.

The project lasted a good 18 months and was successfully completed at the beginning of 2023. The system has been running without disruption ever since. The associated investment will allow for the further development of the St. Gallen branch in future. While the previous IT environment primarily supported Swiss regional banks, the new partners enable us to press ahead with our own developments and to implement EU regulations in Switzerland as well. It is also planned to use the new levels of freedom to provide better support for customers in the German-speaking region and to facilitate cooperation with the headquarters in Bregenz.

Standard software systems are also used at the subsidiary Hypo Immobilien & Leasing and at the leasing company in Bolzano.

DISCLOSURE OF INFORMATION
ON REMUNERATION POLICY AND PRACTICES IN 2025

Hypo Vorarlberg's remuneration policy is consistent with its strategy, goals and values and its long-term interests. It corresponds to the size, internal organisation, type, scope and complexity of Hypo Vorarlberg's business. For risk bearers ("identified staff"), the special remuneration regulations in accordance with the annex to section 39b of the Austrian Banking Act (BWG) apply.

The remuneration policy is compatible with sound and effective risk management. The Remuneration Committee of Hypo Vorarlberg held a total of two meetings in 2025. In addition to the Supervisory Board – particularly the Remuneration Committee headed by Birgit Sonnbichler – the Internal Audit department acts as a controlling body for the remuneration policy. On behalf of the Supervisory Board, it is entrusted with auditing the implementation of the principles of the remuneration policy.

Employees at Hypo Vorarlberg are remunerated exclusively in line with market conditions in the form of collectively agreed fixed salaries as well as overpayment if necessary.

Remuneration policy for Managing Board members
The Chairman of the Managing Board, Michel Haller, and the other Managing Board members, Wilfried Amann (until April 2025), Philipp Hämmerle and Stephan Sausgruber (from May 2025), received a fixed annual basic salary for 2024 that was paid out in fourteen instalments. Besides the remuneration payments agreed in the Managing Board contracts, there are no bonus agreements.

Detailed disclosures on the remuneration policy in accordance with Article 450 of Regulation (EU) No. 575/2013 (CRR) on remuneration policy and practice can be found online at www.hypovbg.at.

Bregenz, 30 March 2026

Hypo Vorarlberg Bank AG
The Managing Board

Michel Haller Chairman of the Managing Board	Philipp Hämmerle Member of the Managing Board	Stephan Sausgruber Member of the Managing Board

NON-FINANCIAL STATE-MENT

CONTENTS

ESRS 2 GENERAL DISCLOSURES

BASIS FOR PREPARATION

DISCLOSURE REQUIREMENT BP-1 – GENERAL BASIS FOR PREPARATION OF THE NON-FINANCIAL STATEMENT

15-16) Disclosures on other legislation or standards and list of affected ESRS disclosure requirements
Hypo Vorarlberg Bank AG (Hypo Vorarlberg) is an Austrian regional bank headquartered in Bregenz. The Group comprises domestic and foreign companies that are authorised to operate by the relevant supervisory authorities in their country of domicile. The non-financial statement fulfils the obligations under sections 243b and 267a of the Austrian Commercial Code (UGB). At the same time, Hypo Vorarlberg reports in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) in line with the European Sustainability Reporting Standards (ESRS).

The Austrian Sustainability and Diversity Improvement Act (NaDiVeG) transposes EU Directive 2014/95/EU into Austrian law. It has required large public-interest entities to publish non-financial information relating to environmental, social and employee matters, respect for human rights and combating corruption and bribery since the 2017 financial year. It has been ensured that the requirements of the NaDiVeG are met. A list of where these points are covered in the non-financial statement can be found under data point ESRS 2 IRO-2.56. The responsibilities of the Managing Board and the Supervisory Board in connection with the non-financial statement are regulated by the NaDiVeG. Hypo Vorarlberg has had its non-financial statement audited externally since 2018.

Since 2021, Article 8 of Regulation (EU) 2020/852 has required banks to disclose the proportion of their activities that can be classified as environmentally sustainable economic activities. This information can be found under "Disclosures pursuant to Article 8 of Regulation (EU) 2020/852".
The reporting period comprises the 2025 financial year (1 January to 31 December). The figures and tables shown may contain rounding differences. No information has been incorporated into the non-financial statement by reference. Hereinafter, the term "customers" refers to both potential and existing customers.

5a-bii) Consolidated or individual basis of preparation of the non-financial statement and subsidiaries excluded
The basis of consolidation of the non-financial statement is consistent with the financial reporting and includes those companies that were also fully consolidated in the consolidated financial statements.

Fully consolidated companies:	Equity interest
Hypo Vorarlberg Bank AG, Bregenz	100.00%
Hypo Immobilien & Leasing GmbH, Dornbirn	100.00%
Hypo Vorarlberg Leasing Bozen AG, Bolzano	100.00%
Hypo Vorarlberg Immo Italia GmbH, Bolzano	100.00%

The emissions caused by leased and rented property, plant and equipment in accordance with Scope 3.13 are calculated for the following subsidiaries. As they do not have any employees, they are not taken into account beyond this.

Fully consolidated companies:	Equity interest
Hypo Immobilien Besitz GmbH, Dornbirn	100.00%
Hypo Immobilien Bankgebäudemanagement GmbH, Dornbirn	100.00%
Hypo Immobilien Investment GmbH, Dornbirn	100.00%
Edeltraud Lampe GmbH & Co KG, Dornbirn	100.00%
Hypo Immobilien Cinemabetriebs GmbH, Dornbirn	100.00%
LD-Leasing GmbH, Dornbirn	100.00%

For the following fully consolidated companies, Scope 1 and 2 are determined using the equity method and counted towards the Group's Scope 3 figures.

Companies consolidated using the equity method:	Equity interest
comit Versicherungsmakler GmbH, Dornbirn	40.00%
MASTERINVEST Kapitalanlage GmbH, Vienna	37.50%

The following companies included in the consolidated financial statements are not included in the non-financial statement as they have no employees, office buildings or other aspects relevant to reporting.

Fully consolidated companies:	Equity interest
"Hypo-Rent" Beteiligungs GmbH, Bregenz	100.00%
HYPO EQUITY Beteiligungs GmbH in Liqu., Bregenz	100.00%
KUFA GmbH, Bregenz	100.00%
HYPO VORARLBERG HOLDING (ITALY) G.m.b.H, Bolzano (Italy)	100.00%
VKL VI PBZ Korneuburg Leasinggesellschaft m.b.H., Dornbirn	100.00%
"HERA" Grundstücksverwaltungsgesellschaft m.b.H., Dornbirn	100.00%
D. TSCHERNE Gesellschaft m.b.H., Vienna	100.00%
"POSEIDON" Grundstücksverwaltungsgesellschaft m.b.H., Dornbirn	100.00%
HIL Mobilienleasing GmbH & Co KG, Dornbirn	100.00%
HIL Immobilien GmbH, Dornbirn	100.00%

HIL BETA Mobilienverwertung GmbH, Dornbirn	100.00%
HIL Baumarkt Triester Straße Immobilienleasing GmbH, Dornbirn	100.00%

Fully consolidated companies:	Equity interest
HIL Real Estate alpha GmbH, Dornbirn	100.00%
HIL Kommunalleasing GmbH, Dornbirn	100.00%
VKL IV Leasinggesellschaft mbH, Dornbirn	100.00%
VKL V Immobilien Leasinggesellschaft m.b.H, Dornbirn	100.00%
HI Copa Immobilien GmbH, Dornbirn	100.00%
"HSL-Lindner" Traktorenleasing GmbH, Dornbirn	76.00%

5c) Discussion of coverage of the upstream and downstream value chain
The upstream and/or downstream value chain is addressed in the non-financial statement depending on the respective topic. This includes the following core areas:

- Upstream value chain: Procurement, suppliers and infrastructure
- Own business operations
- Downstream value chain: Customers

Hypo Vorarlberg's business activities and its value chain have been analysed to identify potential impacts, risks and opportunities related to environmental, social and governance issues. As a non-production company, resources and consumption play a minor role. The focus is on the downstream value chain – see value chain table ESRS 2 SBM-1.42c.

5d) Disclosure on omission of information on intellectual property, know-how and the results of innovation
No information is knowingly omitted from the reporting.

5e) Disclosure on the exemption relating to the annual financial statements, consolidated financial statements and related reports
The exemption provided by Articles 19a (3) and 29a (3) of Directive 2013/34/EU was not applied.

DISCLOSURE REQUIREMENT BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

9a, b) Definitions of time horizons and their specificities
The time horizons of short-term (up to 1 year), medium-term (1-5 years) and long-term (over 5 years) as defined in the ESRS are generally applied for assessments and disclosures in the non-financial statement. The ESRS time horizons – up to 1 year, 1-5 years and over 5 years (including periods of over 10 years) – are applied in risk management.

10-13) Value chain estimation, sources of estimates and outcome uncertainty, changes in presentation of sustainability information
OWN BUSINESS OPERATIONS
The upstream value chain is relevant when analysing operational consumption. The following data sources were used in calculating gross GHG emissions for the calculations below: Where emission factors are not readily available from the manufacturer or energy supplier, various sources or databases are used to produce the assessments. The most important of these are the Environment Agency Austria (www.umweltbundesamt.at), the Swiss Federal Office of Energy and the European Commission: GHG Emission Factors for Electricity Consumption (commission.europa.eu).

The total energy consumption for buildings and the vehicle fleet for 2025 was 4,371 MWh (2024: 4,576 MWh). Of this figure, 68.6% is measured data (e.g. based on electricity or heat meters), 30.1% is calculated data (pro rata measurements b0ased on square metres) and 1.3% is estimated data.

Estimates are based on the proportions attributable to the electricity and heating energy parameters (kWh). Heating energy includes district heating and biomass (Scope 2) as well as heating oil (Scope 1). At the branch at Feldkirch Regional Hospital, a rented space, an electricity meter was out of order in 2025. The missing consumption figure was therefore calculated on the basis of the average electricity consumption per square metre for 2024. This estimate corresponds to 60% of the site's electricity consumption and accounts for 0.3% of total energy consumption. The accuracy of the electricity consumption data is considered to be good, as a comparison with the previous year shows a plausible and moderate increase of 2%.

No heat meter data or heating bills are available for the branch in Lech. The heating energy requirements were therefore calculated using an average heating energy consumption rate (kWh/m²) derived from the consumption data for the other sites (19 sites) over the last ten years. This figure was applied to the leased area of the site. The accuracy of the heating estimate is considered to be moderate, as site-specific factors such as building type, construction method and location are not taken into account. It is not currently possible to obtain direct measurements or perform a more detailed calculation. Given that this accounts for only 0.4% of total energy consumption, the impact on the overall figures is considered to be immaterial.

At the site in Como, Italy, which is also a leased space, heat is generated using heating oil. Only the costs incurred are billed; no information is available regarding actual energy consumption (kWh). Consumption was therefore calculated on the basis of regional heating oil prices. This approach is classified as an estimate rather than a calculation based on measured consumption data. Its accuracy is considered to be moderate, as the heating oil prices used are based on regional figures. Given that this accounts for only 0.6% of total energy consumption and that it is currently not possible to install or use heat meters, there is currently no significant scope for improvement in terms of data accuracy.

Scope 3 data quality – own business operations	Data types*		Emission factors
	Primary data	Estimates	
Scope 3.1 Purchased goods and services	37.80%	62.20%	
of which paper consumption	8.10%	0.00%	Published study
of which printed matter	3.10%	0.00%	Specific supplier disclosures
of which electronic equipment (workplace equipment)	25.90%	0.00%	Specific supplier disclosures
of which water and effluents	0.70%	0.50%	Published study
of which refreshments (coffee)	0.00%	3.60%	Published study
of which data centre	0.00%	58.10%	Revenue share from supplier report
Scope 3.2 Capital goods	100.00%	0.00%	
of which manufacturing-related emissions – vehicle fleet	97.60%	0.00%	National publication
of which manufacturing-related emissions – PV systems	2.40%	0.00%	Public module for own calculation
Scope 3.3 Energy-related emissions	98.10%	1.90%	
of which fossil fuels	61.90%	1.50%	National publication
of which electricity consumed	2.20%	0.10%	National publication
of which purchased heat	14.20%	0.30%	National publication
Scope 3.4 Travel by external service providers	0.00%	100.00%	National publication
Scope 3.5 Waste	11.40%	88.60%	
of which residual waste	0.00%	88.60%	International databases
of which waste paper	8.00%	0.00%	International databases
of which electronic waste	3.40%	0.00%	International databases
Scope 3.6 Business travel	100.00%	0.00%	National publication
Scope 3.7 Employee commuting	61.30%	38.70%	National publication
Scope 3.8 Leased property, plant and equipment	100.00%	0.00%	
of which printers	9.40%	0.00%	Specific supplier disclosures
of which laptops	85.90%	0.00%	Specific supplier disclosures
of which smartphones	4.70%	0.00%	Published manufacturer specifications

*Percentage breakdown based on GHG emissions in the relevant scope

For Scope 3.1 (purchased goods and services), the Accenture (Tigital) data centre was included and calculated as a sub-category for the first time in 2025 in addition to water, paper consumption, printed materials, electronic equipment and coffee. This parameter is considered essential for a banking establishment. The calculation is based on the GHG emissions published by Accenture (360° Value Report 2025) using a pro rata revenue allocation method. A different calculation method will only be possible once the data centre is able to provide detailed information on the individual services. The measurement certainty of the underlying source cannot be determined definitively as the relevant report has not been externally validated.
For comparison purposes, the calculations for the base year 2023 and the previous year 2024 have been recalculated. This increases GHG emissions by 110 metric tons of CO_2 for 2023 and by 171 metric tons of $CO_2$for 2024. Details can be found under E1-6 (Gross GHG emissions).

The water parameter (Scope 3.1 purchased goods and services) also includes estimates. As two branches do not have water meters or billed water consumption, 4% of water consumption is calculated using average figures for 19 of the Bank's locations. This involves calculating an average for the last ten years in litres per employee and allocating this figure to the relevant branches. The level of accuracy is considered to be moderate, as the data quality for water comprises 51% calculated data and 45% measured data. This parameter will be improved over the next two years with the construction of a new branch to replace one of the affected ones. There is no scope for improvement at the second branch, but this can be disregarded due to the small share of emissions concerned.

Estimates in Scope 3.1 are also used for coffee consumption. Based on measurements taken using a bean-to-cup coffee machine, coffee consumption was found to be 10 g per cup. This means that 10 g of ground coffee is calculated per employee per working day (220 days). Here, too, the level of accuracy can be considered to be moderate. It is not currently possible to improve the data quality, but this is not relevant given the small share of total emissions concerned (11 metric tons of CO_2).

There are no estimates in the calculation of Scope 3.2 (capital goods). The data consists of measurements and calculations.

Scope 3.5 (waste) is calculated using three parameters. Waste paper and electronic waste are recorded in accordance with the Austrian Waste Management Act, and hence are measured. The amount of residual waste is estimated based on the number of residual waste bags purchased. As residual waste bags are disposed of with household waste but are not weighed, it was not possible to determine the exact quantity. Accordingly, a conservative estimate of 45 kg per employee per year was applied. As a banking establishment, Hypo Vorarlberg does not consider waste management to be relevant in terms of its GHG emissions. An improvement in data quality is not expected.

There was a significant improvement in the data quality of market-based Scope 2 GHG emissions for purchased heating (district heating). This results in considerably lower market-based Scope 2 GHG emissions for 2025. A lack of information means it is not possible to recalculate the figures for previous years. No further improvements have been identified. The reasons for continuing to use indirect sources, and thus maintaining the current level of accuracy, can be found in the individual scope descriptions. There are no signs of quantitative parameters that are subject to a high degree of measurement uncertainty.
If opportunities for improvement arise during the year as a result of the regular energy audit or other events, these are examined and implemented as best as possible.

DOWNSTREAM VALUE CHAIN

The situation is different for the downstream value chain, which is material on account of leasing and rental (Scope 3.13) and invested or financed portfolios (Scope 3.15) and is analysed in the areas of financing, leasing and own-account investments.

For financed and invested portfolios, estimates are used for operational consumption and analyses of CO_2 emissions and biodiversity. All approximations in the area of financed and invested portfolios are carried out using the recognised method proposed by the Partnership for Carbon Accounting Financials (PCAF)[1] depending on the selected data quality score with regard to the available data.

The CO_2 emissions caused by leased and rented property, plant and equipment are generally calculated on the basis of energy performance certificates, or energy certificates in the case of Italy. Missing energy performance certificate data is substituted using sector averages (PCAF). The measurement accuracy for CO_2 emissions is therefore assumed to be moderate. 10% of the GHG emissions caused by leased and rented property, plant and equipment were calculated using data from energy performance certificates. For 52% of the GHG emissions, energy consumption data was available on the basis of energy performance certificates and was calculated using an emission factor (t CO_2/MWh) for average building data with a PCAF data quality score of 2. For 38% of the emissions, the calculation was determined entirely using average building data (t CO_2/m^2) with a PCAF data quality score of 4.

MEASUREMENT OF SCOPE 3.15 GREENHOUSE GAS EMISSIONS (IN ACCORDANCE WITH THE PCAF STANDARD)

Data sources used in calculating gross GHG emissions

In calculating gross GHG emissions, emission factors from the PCAF European building emission factor database (as of August 2023) were used for both real estate financing and rented buildings. Energy performance certificates were also taken into account for rented buildings. Emission factors from the PCAF emission factor database (as of September 2024) are used for the remaining financing.

Financed emissions

The calculation was based on the PCAF standard "Financed Emissions Part A (second edition)" from 2022. Financed emissions are defined as the portion of emissions by companies, projects or properties that are financed by Hypo Vorarlberg. This corresponds to the logic of the Greenhouse Gas Protocol (GHG Protocol) and the "follow the money" approach. The specific procedure for the calculation is set out in separate methodology documents, reviewed annually for updates and amended as necessary.

PCAF asset classes

PCAF distinguishes between seven different asset classes, which are presented in the PCAF standard in the form of a decision tree ("follow the money"). The calculation methods differ depending on the asset class, which is why the correct allocation is important. Depending on availability, the correct PCAF asset class was determined for each item (e.g. financing, investment, etc.) using different parameters (e.g. industry, intended use, etc.). It was possible to allocate the portfolio items to the PCAF asset classes on the basis of the decision tree (see E1-6 AR 41 for details).

Data pool

The accuracy of the calculation of financed emissions depends on the availability of the relevant data in the portfolio. In accordance with the PCAF methodology, the data used should always be that which enables the most accurate calculation of financed emissions. The PCAF methodology uses a data quality score to systematically assess and prioritise emissions data where several possible data sets are available for a given item. The data quality score is expressed on a scale from 1 to 5. The lower the value, the more it can be safely assumed that the calculated emissions correspond to the actual emissions. For example, actual measured or reported emissions should generally be used rather than approximated emissions based on energy consumption. Emission factors should generally be as specific as possible. In the case of real estate, for example, emission factors measured in CO_2 per m^2 should be used in the calculation rather than emission factors measured in CO_2 per property.

When using emission factors measured in CO_2 per property, average property sizes for each building type are assumed by PCAF based on international studies. This can lead to inaccuracies in the calculation of financed emissions, which was observed in the leasing portfolios in particular. Among other things, these finance commercial real estate (such as large-scale retail facilities) to an above-average extent. Calculating the emissions on the basis of average property sizes means the emissions are only a fraction of the actual emissions, which were unknown at the time of calculation. As the financing of these large commercial properties involves multi-million euro amounts but the emissions were calculated on the basis of average commercial real estate (CRE) sizes, this resulted in a notably low emissions intensity for individual sub-portfolios in some cases (e.g. leasing CRE: 1 t CO_2/EUR million).

FINANCED EMISSIONS

The most important parameters for calculating financed emissions using the PCAF methodology are:

- Quantitative portfolio data (especially exposure volumes)
- Qualitative portfolio data (properties of financing)
- Reported emissions data
- Data from emission factor databases (for approximation where emissions data is unavailable)

The portfolio data is available within the Bank and was validated and prepared for the calculation. The emissions data was obtained via third-party providers, in particular via databases provided by PCAF and in accordance with the PCAF standard.

[1] https://carbonaccountingfinancials.com/standard.

The different data quality scores involve different degrees of measurement certainty or uncertainty. It has not yet been possible to achieve full coverage, as there is still scope for the data pool to be improved and the methodology proposed by PCAF does not cover all financial instruments. Some of the products not currently taken into account include:

- Consumer loans whose intended use is unknown
- Green bonds
- Securitisations
- Exchange-traded funds (ETFs)
- Derivatives (futures, options, swaps)
- Underwriting for initial public offerings (IPOs)

The increase in the accuracy of Group-wide measurement is not only due to the continuous enhancement of the PCAF standard, but is also expected to be driven by the increasingly detailed and precise analysis of the portfolio data. The topic of data collection and data availability also plays a major role, particularly with regard to the lending portfolio (see E1-3, E1-6.AR 41).

It is not possible to limit measurement uncertainty to specific figures for the purpose of this analysis. The sources of measurement uncertainty are the current limits for portfolio recording by PCAF for certain financial instruments and the available data pool for Hypo Vorarlberg's portfolios.

The PCAF standard (2022) was applied in calculating the financed emissions (Scope 3.15). The methodological steps were followed by defining the scope, validating the data to the greatest possible extent and transferring it to the asset classes prescribed by PCAF. These activities form the basis for the calculation and have a significant influence on the results. Approximate figures (company-specific and sector-specific proxies) were used in areas where PCAF is still under development or where there is still scope for improving the Bank's data supply. The sources of measurement uncertainty and the potential for enhancing the data pool have been documented and established as a planned action for the next reporting period.

Non-climate nature risk analysis (NCNR analysis)

To identify biodiversity risks within the portfolio, the analysis at industry level was continued in the year under review (see NCNR analysis below). The analysis for E4 Biodiversity is used to calculate robust "environmental scores" for the relevant portfolios (asset management, own-account investments, lending) and to analyse the composition of the portfolio. The results were categorised in risk classes using a five-point scale. Although the methodology used to calculate the biodiversity assessment changed slightly compared with the previous year, there were no changes to the preparation and presentation of sustainability information in terms of the parameters applied (for the results, see E4-1.13a-f).

NACE classification

A classification of exposures at NACE sector level is necessary in order to calculate biodiversity risks at both individual and aggregated level (NACE = classification system of the European Union (EU) for economic sectors and activities). A mapping between the NACE classification system and the classification systems for the individual portfolios is carried out as required.

Data sources used in calculating "environmental scores"

Data source	Relevance	Application
ENCORE	Biodiversity (dependency and impact)	E4 – Biodiversity and Ecosystems

NCNR analysis

The most important parameters for the calculation are:

- Sector-specific figures for biodiversity risks from publicly available data sources
- NACE 2 sector classifications (portfolio-based industry categorisation by Hypo Vorarlberg)
- Exposures for each portfolio (exposure in monetary units for each counterparty of Hypo Vorarlberg)

Building on the initial analysis carried out in 2024, a more detailed analysis in line with the FMA guidelines was conducted using the ENCORE database in order to assess dependencies on 25 different ecosystem services. The analysis, which focused on the lending portfolio, found that the agriculture, forestry and tourism industries are moderately to highly dependent on multiple ecosystem services. All of the "environmental scores" received constitute direct scores for the respective sector.

Good data availability and quality provide the basis for meaningful measurements. This is the only way to successfully manage topics on the basis of measurements and derive targets in the long term. Hypo Vorarlberg worked intensively to improve data quality in the past. Obtaining ESG data proved particularly challenging in the case of companies not subject to reporting obligations.

It is not possible to limit measurement uncertainty to specific figures for the purpose of this analysis. Sources of measurement uncertainty and fundamental assumptions have already been presented. The analysis currently includes direct "environmental scores" for the respective sector and geographical data at country level; the customer's supply chain is not taken into account (for the results, see E4-1.13a-f). It should also be noted that data from public sources is constantly updated, which serves to increase the dynamism of the data pool.

14a) Disclosure of the nature of material errors in prior periods

There were no material errors in the calculations compared with the prior period. The differences result from the emission factors or system limits.

GOVERNANCE

DISCLOSURE REQUIREMENT GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Hypo Vorarlberg has well-founded regulations for business conduct and control and a clear organisational structure. The responsibilities are clear, transparent and logical. Efficient procedures have been established for managing, identifying, monitoring and reporting risks. In addition, adequate control mechanisms are in place with the necessary administrative and accounting procedures. The remuneration policy and the corresponding practices are aligned with risk management.

21a, 21c, 22a, 22cii) Disclosures on the number of executive and non-executive members and names of the relevant committee members responsible for monitoring impacts, risks and opportunities and for information about reporting lines
Hypo Vorarlberg's sustainability team comprises the Managing Board, the Sustainability Group and the officers from the specialist departments. The team engages in continuous coordination in the form of topical project meetings, working group meetings or the larger gatherings of the "sustainability team jour fixe". The regular meetings include reports on developments and progress regarding identified impacts, risks and opportunities.

The identification, effective management and monitoring of impacts, risks and opportunities is one of the most important tasks of sustainability management. Responsibility and monitoring therefore lies with the Managing Board, the Sustainability Group, Group Risk Controlling and the experts in the respective specialist departments. The Managing Board was involved in the materiality analysis process and subsequently examined the impacts as well as the risks and opportunities and approved them along with the material topics.

The tasks of the Supervisory Board include monitoring and constructively criticising the strategies, particularly with regard to sustainability aspects. These tasks are performed by the Supervisory Board in its role as a non-executive management body. The material topics resulting from the materiality analysis were reported to the Supervisory Board, which is regularly informed about current sustainability issues at Supervisory Board meetings. The Supervisory Board also receives the non-financial statement in February for review and approval at the Supervisory Board meeting in April. The sustainability strategy and the annual sustainability risk report are submitted to the Supervisory Board for acknowledgement in December.

EXECUTIVE MEMBERS

The Managing Board consists of three members and is responsible for managing the company, representing it in and out of court and conducting its business.

Managing Board	Professional background	Area of responsibility
Michel Haller	Chairman of the Managing Board since January 2017 Member of the Managing Board of Hypo Vorarlberg from 2012 to 2016 Chairman of the Managing Board of Sparkasse Bregenz from 2010 to 2011 Member of the Managing Board of Sparkasse Bregenz from 2002 to 2010 Hypo Vorarlberg from 1995 to 2002 Degree in business administration and law obtained in 1994	CRO
Philipp Hämmerle	Member of the Managing Board since April 2020 Raiffeisen Bank International AG from 2009 to 2020 Master's degree in business informatics obtained in 2009 iTec diploma programme completed in 2007	CIO
Stephan Sausgruber	Member of the Managing Board since May 2025 Hypo Vorarlberg since 1999 PhD in law obtained in 1999	CSO
Wilfried Amann	Member of the Managing Board until April 2025	CSO

NON-EXECUTIVE MEMBERS

The current Supervisory Board of Hypo Vorarlberg consists of twelve Supervisory Board members, eight of whom are shareholder representatives and four of whom are employee representatives delegated by the Works Council.

Shareholder representatives		Committees
Alfred Geismayr	Chairman of the Supervisory Board since 23 May 2025 Deputy Chairman from 1 May 2014 to 22 May 2025	Credit Committee (Chair), Risk Committee, Nomination Committee
Jodok Simma	Chairman of the Supervisory Board from 18 April 2013 to 22 April 2025 Chairman of the Managing Board of Hypo Vorarlberg (retired)	
Eduard Fischer	Deputy Chairman since 23 May 2025 Chairman of the Supervisory Board of VBG Holding AG, VBG Immo GmbH and Schwarzach Packaging GmbH	Credit Committee, Audit Committee
Astrid Bischof	Entrepreneur	Audit Committee
Karl Fenkart	Civil servant	Nomination Committee (Chair), Credit Committee, Risk Committee, Audit Committee, Remuneration Committee
Johannes Heinloth	Member of the Board of Managing Directors of L-Bank	Risk Committee (Chair), Credit Committee

Shareholder representatives		Committees
Karl Manfred Lochner	Former member of the Board of Managing Directors of Landesbank Baden-Württemberg (LBBW)	Audit Committee (Chair), Remuneration Committee, Nomination Committee
Karlheinz Rüdisser	Member of the Supervisory Board until 23 May 2025 Deputy State Governor of Vorarlberg (retired)	
Birgit Sonnbichler	Entrepreneur	Remuneration Committee (Chair), Credit Committee, Nomination Committee
Petra Winder	Managing Director	Risk Committee, Remuneration Committee
Works Council		**Committees**
Veronika Moosbrugger	Chairwoman of the Works Council, Works Council delegate	Credit Committee, Risk Committee, Audit Committee, Remuneration Committee, Nomination Committee
Judith Österle	Works Council delegate	
Elmar Köck	Works Council delegate	Credit Committee
Peter Niksic	Works Council delegate until 23 May 2025	
Gerhard Köhle	Works Council delegate	Credit Committee (alternate member), Risk Committee, Audit Committee, Remuneration Committee, Nomination Committee

21b) Representation of employees and other workers
Through the Works Council, employees have the right to participate in the organisation of company policies that directly affect them. In addition to representing the employees as a whole and individual employees, the Works Council performs an information, control and communication function within the company. Through this body, the employee representatives are involved in important decisions and any operational changes and plans.

21c) Details of experience relevant to sectors, products and geographical locations
The collective aptitude assessment for the Supervisory Board and the Managing Board is carried out prior to each change in personnel and as part of re-evaluations. The actual knowledge and experience (actual) is compared with the requirements for collective aptitude (target). When making appointments to the specialist committees (Nomination, Risk, Credit, Audit and Remuneration Committees), it is ensured that the members have the necessary detailed specialist knowledge to properly cover the required expertise and fulfil their duties with due care. The members of the Managing Board and Supervisory Board are assessed in terms of their educational background, professional career, industry expertise and diversity aspects such as gender and age.
To communicate the necessary knowledge, sustainability-related content is addressed as part of the regular Fit & Proper training courses for Managing Board members, Supervisory Board members and key employees, for example. The members also continuously engage with specialist aspects of sustainability as part of their tasks in the specialist committees.

21d), e) Gender diversity and independent members of the administrative, management and supervisory bodies

	Number of women	Number of men	Proportion of women
Managing Board	0	3	0.00%
Supervisory Board incl. Works Council	5	7	41.67%

Five of the eight shareholder representatives on the Supervisory Board (62.5%) are currently categorised as independent. Hypo Vorarlberg therefore fulfils the minimum requirement of two independent members as prescribed by section 28a (5a) (2) of the Austrian Banking Act (BWG).

22b) Responsibilities of individual bodies or individuals for impacts, risks and opportunities in mandates and strategies
Hypo Vorarlberg embodies its understanding of sustainability in all aspects of its day-to-day business in respect of its customers, partners and employees. The Managing Board, managers and employees are encouraged to establish a corresponding sense of forward-looking responsibility for these issues within the company in line with the core brand value of “mindful”. Responsibility lies with the Managing Board, the Sustainability Group, Group Risk Controlling, Asset Management and the respective specialist departments and subsidiaries.

The “Hypo Effect” sustainability strategy, which was approved by the Managing Board and submitted to the Supervisory Board for acknowledgement, defines the binding Group-wide topics of emissions, fair employer, financing and investment, ESG risks, customers and society, and transformation. The purpose of the sustainability strategy is to minimise negative impacts on sustainability aspects, support positive impacts and pursue opportunities arising in particular from the transition to a responsible economy.

Group Risk Controlling is responsible for risk controlling, which comprises the annual revision of the risk strategy including the performance of the risk inventory and the development of risk models. One aspect of this is the identification of sustainability risks. An annual sustainability risk report (reporting date 30 June) is prepared on the basis of the strategic guidelines, presented to the Managing Board and submitted to the Supervisory Board for acknowledgement.

22ci) Disclosure of the position/committee responsible for governance and the oversight structure
After the Supervisory Board and the Managing Board, responsibility for monitoring, managing and overseeing impacts, risks and opportunities lies directly with the Sustainability Group, which reports directly to the responsible Managing Board member as an executive department. As the impacts, risks and opportunities relate to topics from different areas, each specialist department affected has appointed a sustainability officer. Coordination is the responsibility of the Sustainability Group.

The Sustainability Group is also responsible for organising and conducting the annual materiality review and the comprehensive materiality analysis process that takes place regularly. The relevant specialist departments are responsible for the further consideration of the impacts, risks and opportunities identified as material and the subsequent implementation and operationalisation of topics. They also identify measures and set targets. The Sustainability Group supports the specialist departments with its expertise. The identified topics and the current status and further development of the topics as well as the impacts, risks and opportunities can be found in the annual non-financial statement.

22ciii, d) Role of the executive bodies and management in setting and monitoring progress toward targets related to material impacts, risks and opportunities, disclosure of specific controls/procedures for managing impacts, risks and opportunities and their internal integration
As internal standard-setting bodies, the Managing Board and the Supervisory Board are familiar with the structure of the organisation, and hence also its development and limits. The organisational framework is documented in the organisational chart, which includes a clear presentation of the responsibilities. As an executive department reporting directly to the Managing Board, the Sustainability Group is responsible for coordinating and organising issues relating to sustainability aspects at Hypo Vorarlberg.

The Managing Board is closely involved in the process of developing targets and measures. It critically scrutinises and reviews the proposals, explanations and information presented when exercising its discretion and making decisions. In its operational management function, the Managing Board prepares the bases for decision-making on topics with the greatest possible transparency and comprehensibility and submits them to the Supervisory Board for resolution in accordance with the Articles of Association and the rules of procedure. The Managing Board is also responsible for implementing the strategies. It fulfils this task as part of the annual resolution on the business, sustainability and risk strategy. When developing and implementing strategies, the Managing Board takes account of sustainability aspects and the associated environmental, social and governance impacts, opportunities and risks. These strategies are discussed and acknowledged or approved annually by the Supervisory Board. The strategies are regularly monitored so that undesirable developments can be identified at an early stage and corrective action can be taken. The Supervisory Board is also responsible for monitoring and overseeing the consistent implementation of the strategic objectives, the organisational structure and the risk strategy (including sustainability risks), the risk appetite and the risk management framework, as well as other policies and disclosure requirements.

The Sustainability Group is responsible for conducting the annual materiality review and the comprehensive materiality analysis process that takes place regularly. This process guarantees a secure procedure for the continuous updating and further development of the material impacts, risks and opportunities. The relevant specialist departments are responsible for the further consideration of the impacts, risks and opportunities identified as material and the subsequent implementation and operationalisation of topics. They are also responsible for identifying measures and setting targets.

As part of the annual process of preparing the non-financial statement, which has also formed part of the internal control system (ICS) since 2025, there is a continuous, documented dialogue with the relevant specialist departments that makes it possible to track whether and how the impacts, risks and opportunities have developed over the course of the reporting year. This systematic assessment allows all of the management functions involved to obtain a comprehensive picture and take any necessary management or control actions.

Organisational chart (as at 1 January 2026)

Chairman of the Managing Board Michel Haller	Member of the Managing Board Stephan Sausgruber	Member of the Managing Board Philipp Hämmerle
Corporate and Private Customers Credit Management	Corporate and Private Customers/ Private Banking Sales	Finance
Group Risk Controlling	Sales Vienna	Controlling
Law	Sales Support	Sustainability
Ombudsman	Treasury	Asset Management
Human Resources	Office of the Managing Board & Participation Management	Mid and Back Office Funds, Securities and Derivatives
Communication and Marketing	St. Gallen Branch (Sales)	IT
Compliance	Hypo Vorarlberg Leasing, Italy (Sales)	IT GRC
Strategic Bank Management	Hypo Real Estate & Leasing	Data Protection
Corporate and Internal Audit		Logistics
St. Gallen Branch (Risk Management)		
Immo Italia, Italy		
Hypo Vorarlberg Leasing, Italy (Back Office, Risk Management)		

23a, b) Sustainability-related expertise of the bodies, including access to experts or training, and description of how skills and expertise relate to material impacts, risks and opportunities
The Nomination Committee conducts an assessment of the knowledge, skills and experience of the Managing Board and Supervisory Board members, both individually and collectively, at least once a year and makes proposals for changes if necessary. These may include training, changes to processes, measures to minimise conflicts of interest and the appointment of members with particular areas of expertise.

Regular training and professional development measures are conducted with a view to ensuring the suitability of the members of the Supervisory Board and the Managing Board. In addition, training must be provided in particular in the event of changes in external circumstances (e.g. changes to business activities or the organisational structure, new regulatory requirements) that affect the suitability of one or more members of the Managing Board or Supervisory Board, among other things.
The experts from the Sustainability Group and Group Risk Controlling, as well as external consultants if required, are available to advise the Managing Board members, Supervisory Board members, specialist departments and subsidiaries with their sustainability expertise.

The combination of specialist knowledge and sustainability skills ensures that the interrelationships between the company's impacts, risks and opportunities are identified, analysed and addressed.
In order to further strengthen the relationships between skills and expertise and the material impacts, risks and opportunities, the range of training and development programmes is continuously reviewed. Regular in-house and independent professional development for Managing Board and Supervisory Board members contributes to optimal development.

G1-GOV-1.5a, b) Role of administrative, management and supervisory bodies related to business conduct and disclosure of expertise of the administrative, management and supervisory bodies on business conduct matters
The Managing Board is responsible for representing and managing Hypo Vorarlberg in and out of court and for conducting its business. It must report to the Supervisory Board regularly, and in any case at least once a quarter, on the course of business and the situation of the company. It is responsible for implementing and monitoring the strategies. It fulfils this task as part of the annual resolution on the business, sustainability and risk strategy.

The Supervisory Board monitors the activities of the Managing Board and is not bound by any instructions in doing so. It must exercise its function with strict impartiality. The Supervisory Board meets on a regular basis, in any case at least quarterly, and as required. It is authorised to form committees from among its members and to determine their tasks and powers. Decision-making powers of the Supervisory Board may also be transferred to the committees. In this case, the same provisions apply to the committees as to the Supervisory Board.

Among other things, the Supervisory Board's responsibilities include supervising and monitoring the decision-making processes and actions of the Managing Board, including reviewing its individual and collective performance, as well as the implementation of the strategy and objectives.

As a minimum, the members of the Supervisory Board must fulfil the legal and regulatory requirements ("Fit & Proper"). The Nomination Committee is responsible for determining the requirements and assessing their fulfilment. The members of the Supervisory Board must be professionally qualified and regularly participate in further training by completing relevant studies and courses (professional or academic studies in economics, law or natural sciences) and external or internal training courses or corresponding training and professional development. This ensures that they can fulfil their supervisory duties as prescribed by law and the Articles of Association and rules of procedure. See also ESRS 2 GOV-1.21c.

DISCLOSURE REQUIREMENT GOV-2 – INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

26a) Disclosures on how the administrative, management and supervisory bodies are informed about material impacts, risks and opportunities related to sustainability aspects
The Sustainability Group reports directly to the Managing Board, which is kept informed through regular meetings (monthly) and reports on current issues (regulatory updates, project-related information, etc.). In turn, the Managing Board reports to the Supervisory Board on key issues and progress (at regular Supervisory Board meetings).

Under the NaDiVeG, the Managing Board and the Supervisory Board have clear responsibilities in connection with the preparation of the non-financial statement (annually). The Managing Board approves the non-financial statement and submits it to the Supervisory Board for review. In addition, the non-financial statement has been subject to an external limited assurance engagement since 2018. Limited assurance means that fewer audit procedures, random samples etc. are performed than in a reasonable assurance audit. The Supervisory Board reports to the Annual General Meeting.

The business, risk and sustainability strategies are subject to an annual update process. These strategies are approved by the Managing Board and submitted to the Supervisory Board for resolution or acknowledgement. The sustainability risk report is also presented annually to the Managing Board and the Supervisory Board.

The Head of Group Risk Controlling attends the meetings of the Risk Committee at least once a year and reports on the risk types defined in section 39 (2b) BWG as well as sustainability risks relating to climate, environment and social issues and the risk situation of the credit institution. This includes drawing attention to risky developments that have or could have an impact on the credit institution.

All of the units involved are provided with sufficient information to give them a clear picture of the Group's overall objectives, strategies and risk profile, as well as their integration into the Group's structure and business operations. This information and corresponding revisions are documented and made available to the key functions concerned.

Regular discussions on a wide range of sustainability issues take place at various meetings.

Meeting name	Participants	Frequency
Supervisory Board meeting	Members of the Managing Board Members of the Supervisory Board Members of the Works Council	5 x per year
Annual General Meeting	Members of the Managing Board Shareholder representatives Members of the Supervisory Board	Annually
Managing Board meetings	Members of the Managing Board Sustainability Group	Weekly, as required
Sustainability Group jour fixe	Sustainability Group Responsible Managing Board member and Sustainability Group	Weekly, monthly
Climate jour fixe	Responsible Managing Board member Specialist departments	Annually
Sustainability team jour fixe	Responsible Managing Board member Specialist departments	Annually
Risk Committee	Members of the Managing Board Specialist departments	Every 1 to 2 months
Policy	**Approval/Acknowledgement**	**Frequency**
Business strategy Sustainability strategy Risk strategy Sustainability risk report Non-Financial Statement Materiality analysis	Managing Board Supervisory Board (Annual General Meeting)	Annually

26b, c) Discussion of how the administrative, management and supervisory bodies consider impacts, risks and opportunities when overseeing the undertaking's strategy, major transactions and risk management and list of material impacts, risks and opportunities
The Managing Board is responsible for implementing and monitoring the strategies. It fulfils this task as part of the annual resolution on the business, sustainability and risk strategy.

As internal standard-setting bodies, the Managing Board and the Supervisory Board are familiar with the structure of the organisation, and hence also its development and limits. The dual management body has a precise understanding of Hypo Vorarlberg's legal, organisational and operational structure and ensures that these correspond to the approved business strategy, risk strategy and risk appetite.
The Supervisory Board has established a Risk Committee whose responsibilities include:

- Monitoring actual and future risk appetite as well as the overall risk strategy, taking into account all risk types to ensure that they are consistent with Hypo Vorarlberg's business strategy, objectives, corporate culture and values.
- Monitoring the implementation of the risk strategy and the corresponding defined limits.
- Monitoring the implementation of the strategies for capital, liquidity and sustainability management as well as for all other relevant risks in order to assess their appropriateness with regard to the defined risk appetite and the defined risk strategy.

The results of the double materiality assessment were presented to the full Managing Board and the Supervisory Board and were approved by the full Managing Board. A detailed list can be found under SBM-3.

DISCLOSURE REQUIREMENT GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

29a-e) Policies concerning sustainability-linked incentive and remuneration systems for members of the administrative, management and supervisory bodies
Hypo Vorarlberg generally has no variable incentive or remuneration systems. Hypo Vorarlberg's remuneration policy is based on regulatory requirements and ensures equal treatment and the prevention of conflicts of interest. The established fixed remuneration system does not incentivise transactions that fall outside the business and risk strategy or risks that are inconsistent with Hypo Vorarlberg's risk appetite.

E1-GOV-3.13) Disclosures on climate-related considerations in the remuneration of members of the executive bodies, including link to GHG reduction targets and percentage of climate-related remuneration recognised
Climate-related considerations are not currently included in the remuneration of members of the administrative, management and supervisory bodies (see ESRS 2 GOV-3.29).

DISCLOSURE REQUIREMENT GOV-4 – STATEMENT ON DUE DILIGENCE

30, 32) Discussion of the implementation of due diligence in the non-financial statement for the presentation of actual business practice

Core elements of due diligence	Paragraphs in the non-financial statement
Embedding due diligence in governance, strategy and business model	GOV-1; GOV-2; GOV-5; SBM-1; SBM-3
Engaging with affected stakeholders in all key steps of the due diligence	GOV-2; SBM-2; IRO-1; E1-2; E4-2; S1-1; S1-2 S4-1; S4-2; G1-1
Identifying and assessing negative impacts	SBM-3; IRO-1
Taking actions to address those negative impacts	E1-3; E4-3; S1-3; S1-4; S4-3; S4-4; G1-4
Tracking the effectiveness of these efforts and communicating	E1-3; E1-4; E4-3; S1-5; S4-3; S4-4; G1-4

DISCLOSURE REQUIREMENT GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER THE NON-FINANCIAL STATEMENT

36a-e) Non-financial statement – sustainability risk management and internal control processes and systems
An important prerequisite for the credibility of sustainability efforts is effective sustainability management with clear responsibilities, objectives and evaluation processes. Further information on this can be found in this section under GOV-2.

To minimise potential risks associated with the preparation of the non-financial statement, Hypo Vorarlberg formally treats the reporting process as a project. This structured and IT-supported approach enables tasks to be carried out in an organised manner, with clear objectives, defined responsibilities, ongoing checks and comprehensive documentation. Thorough documentation of processes ensures that decisions can be easily traced and helps to minimise the loss of information and expertise, e.g. in the event of illness or staff turnover. Regular communication with external consultants, internal specialist departments and external auditors is essential for efficient reporting and ensures transparency among all parties involved.

The process of preparing the non-financial statement is part of the internal control system (ICS). The benefits of an ICS include quality assurance, ensuring ongoing controls and automatic control mechanisms in the company's day-to-day work and processing. It encourages the active examination of the risks inherent in the respective business and hence serves to minimise risk. As part of the ICS, the processes are reviewed continuously, and in any case at least once a year, in terms of their risk content and the existence of comprehensible, effective and efficient measures and controls for reducing risk and expanded and adjusted as necessary. In addition, a control and effectiveness analysis is carried out regularly, potential improvements are identified and the resulting measures are implemented.

An ICS report is prepared every six months for the Managing Board and annually for the Audit Committee of the Supervisory Board. Preparation follows a bottom-up approach, i.e. the records on the implemented controls are completed by the respective process owners as they are carried out on an operating basis. These records are compiled in the reports along with the findings of the control and effectiveness analysis. They are combined with the findings of Internal Audit to enable a statement to be made on the effectiveness of the ICS. The report also serves to illustrate how the ICS works.

Based on the results, the Managing Board arranges for appropriate measures to be taken to rectify deficiencies if necessary. The Audit Committee of the Supervisory Board monitors the effectiveness of the ICS. The ICS Committee, whose members include the full Managing Board and the Compliance department, meets at least once a year to approve the findings, take note of risk assessments and make continuous ICS core process decisions.

Internal Audit performs independent, objective and impartial audit services designed to add value and improve business processes (particularly with regard to legality, regularity and efficiency). These may be general or on an ad hoc basis. It operates independently of instructions and supports the organisation (the Group) in achieving its objectives by using a systematic and targeted approach to assess and help to improve the effectiveness of risk management, controls and governance processes.

Furthermore, it informs the Managing Board and the relevant supervisory body of the extent to which the governance framework, including the risk management framework, is effective and whether appropriate procedures and principles have been established and are consistently observed.

The full Managing Board ensures at all times that Internal Audit is organised in a manner appropriate to the tasks it is required to perform and that it is adequately resourced in terms of both staff numbers and quality as well as material resources.

STRATEGY

DISCLOSURE REQUIREMENT SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

40a) Description of the elements of the strategy that relate to or affect sustainability aspects (see AR 12-13)
40ai) Description of the most significant groups of products and/or services offered, including changes in the reporting period
The three cornerstones of "corporate banking", "residential construction banking" and "investment banking" form the basis on which Hypo Vorarlberg Bank AG operates consistently and successfully. Its core expertise relates in particular to residential construction financing, corporate customer business, investment advice and asset management. There were no significant changes in the area of products or services during the reporting period. Hypo Vorarlberg's products and services can be broken down into the following groups:

INVESTMENT BUSINESS
Based on the ESG investment approach (see E1-2), the Asset Management department takes sustainability risks and adverse impacts into account when making investment decisions. Since November 2021, all Hypo Vorarlberg funds and asset management strategies that are actively offered have been classified as financial products within the meaning of Article 8 of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) and take into account environmental or social characteristics.

GREEN BOND
In autumn 2017, Hypo Vorarlberg became the first Austrian bank to issue a green bond with a total volume of EUR 300 million. In spring 2020, Hypo Vorarlberg successfully placed its first Swiss franc-denominated green bond on the market. The issue volume was CHF 125 million. The proceeds are being used to (re)finance energy-efficient residential and non-residential buildings in Switzerland. After the EUR 300 million senior green bond matured, a further EUR 500 million senior green bond was issued in 2023. The proceeds are used to (re)finance energy-efficient residential buildings in Austria. The impact report detailing the CO_2 savings achieved by the (re)financed properties was prepared by Drees & Sommer. Since 2022, Hypo Vorarlberg has also placed green bond issues in the retail sector.

FINANCING
Hypo Vorarlberg has agreed programmes with the European Investment Bank (EIB) to promote the financing of energy-efficient new builds that meet the EIB's criteria for Nearly Zero Energy Buildings+ (NZEB+).

In the lending business, the "Ethical and sustainable criteria for financing" policy (see E1-2) is applied when granting loans. If an exclusion criterion is identified, the loan is not granted.

40aii) Description of significant markets and/or customer groups served, including changes in the reporting period (new/removed markets and/or customer groups)
CORE MARKETS
In addition to its headquarters in Bregenz and branches in Vorarlberg, Hypo Vorarlberg has additional locations in Vienna, Graz, Wels and Salzburg, as well as a branch in St. Gallen, Switzerland. Through these locations, Hypo Vorarlberg is represented in the most important economic regions of Austria and in eastern Switzerland. Other core markets are located in southern Germany (Bavaria, Baden-Württemberg). Outside Vorarlberg, Hypo Vorarlberg focuses on niches in corporate customer business, property financing and investment advice. In addition to traditional banking products, customers can take advantage of other banking-related products and services in the property, leasing and insurance sectors. The subsidiary Hypo Immobilien & Leasing GmbH, based in Dornbirn and Vienna, offers expert knowledge under the Hypo Vorarlberg brand. Hypo Vorarlberg Leasing AG in Bolzano, Italy, develops leasing solutions and also has a branch in Como. Hypo Vorarlberg Immo Italia GmbH offers commercial properties in northern Italy and a range of services in the real estate sector, including property valuation. Through its shareholding in comit Versicherungsmakler GmbH, Hypo Vorarlberg's customers benefit from independent insurance solutions. In the investment business, MASTERINVEST Kapitalanlage GmbH acts as a partner and fund manager for Hypo Vorarlberg. There were no changes in the markets or customer groups served in the reporting period.

CORPORATE CUSTOMERS
One focus of Hypo Vorarlberg's business activities is corporate customer business. The company has particular expertise in the areas of investment and project financing, subsidies, foreign services, working capital financing and as a provider of alternative forms of financing and in investment.

PRIVATE CUSTOMERS AND PRIVATE BANKING
Hypo Vorarlberg offers private customers extensive services with a focus on residential construction financing, pension advice and investment advice.

TREASURY/FINANCIAL MARKETS
The Financial Markets business segment is responsible for asset/liability management, Hypo Vorarlberg's refinancing and various services for customers and different groups, including money market, foreign exchange and interest rate derivatives as well as securities trading for customers. Hypo Vorarlberg does not engage in any proprietary trading that is not connected to customer business.

CORPORATE CENTRE
The Corporate Centre essentially bundles the subsidiaries and holdings that expand the Bank's service range with banking-related products.

40aiii) Number of employees by geographical area

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Total employees (active and passive) per capita	961	938	870	848	40	38	51	52
Total employees (active and passive) per capita on average	947	916	856	831	39	32	52	52

Information on the Bank (including the St. Gallen branch) can be found in the footer.[2]

40aiv) Description of material products and services banned in certain markets
There are no products that are banned in certain markets.

40e) Sustainability-related goals in terms of significant products, customers, regions and relationships with stakeholders
Hypo Vorarlberg's business activities are oriented towards the United Nations Sustainable Development Goals (UN SDGs) and the goals of the Paris Agreement. Regional and national measures, such as the Energieautonomie+ and MissionZeroV+ strategies of the state of Vorarlberg, also shape Hypo Vorarlberg's business activities. The company also wants to make an important contribution to improving the human rights situation. To this end, its activities are oriented towards the Universal Declaration of Human Rights, the core labour standards of the International Labour Organisation (ILO) and the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD). These principles are continuously enhanced in the operational processes.

The Managing Board is particularly keen to ensure that negative impacts on the climate and society are reduced, especially those resulting from its core business of financing and investment. Hypo Vorarlberg takes responsibility in its financing and investment business and works to reduce its negative impact on the environment, the climate and people. It aims to reinforce its commitment to the climate targets adopted and demonstrate this through appropriate disclosure rates (e.g. taxonomy eligibility, taxonomy alignment, GAR, etc.) to the greatest possible extent. Investment decisions that take environmental, social and governance issues into account (= positive criteria) are prioritised, while transactions that do not meet the defined criteria are rejected (= exclusion criteria). Hypo Vorarlberg is committed to developing new financial products with sustainability aspects and examining the addition of sustainability aspects to existing products in order to pursue market opportunities and ensure mindful business practices.

Hypo Vorarlberg does not currently have any derived quantitative targets for product groups. It intends to define robust targets, key performance indicators and actions in the areas of the environment, social affairs and corporate governance in line with the regulatory requirements and taking into account the strategic guidelines. This should enable it to visualise developments in greater detail, measure targets and perform topic-specific management.

In addition, Hypo Vorarlberg will continue to contribute to society and support its regions through social engagement (charitable fund, sponsorship) and targeted cooperation with regional suppliers and service providers (see E1-2). Hypo Vorarlberg's efforts are also reflected in its sustainability ratings:

[2] 2025 Bank incl. St. Gallen branch: Total headcount (active and passive employees): 863 (2024: 838); total headcount (active and passive employees) as an average for the year: 848 (2024: 817); total headcount excl. St. Gallen branch (active and passive employees) as an average for the year: 808 (2024: 785).

ISS ESG
ISS ESG is a leading provider of sustainability ratings. In its rating process, it gathers and assesses information on companies' social and environmental performance based on 100 criteria. Hypo Vorarlberg is classified as a "public-sector and regional bank" and has Prime status. This very good rating illustrates Hypo Vorarlberg's performance in a quantified form, which can help investors in making investment decisions. Regular updates ensure that the ratings remain current (last updated August 2025).

SUSTAINALYTICS
Morningstar Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm. Hypo Vorarlberg took advantage of the available feedback in 2023 and was able to significantly improve its rating. Current rating: Medium Risk, ESG Risk Rating 22 (last updated August 2025).

40f) Assessment of significant products, markets and customer groups in relation to sustainability goals
No sustainability-related goals for products and services, markets and customer groups were adopted in the current reporting period.

40g) Elements of the strategy relating to sustainability, including challenges, solutions and projects
The Managing Board is particularly committed to shaping the future responsibly. In order to achieve this goal, the company has emphasised the reconcilability of economic success, social aspects and environmental compatibility for many years, and it seeks to achieve as harmonious a balance as possible between these three dimensions of sustainability. These guidelines are also expressed in Hypo Vorarlberg's vision and mission statement and are supplemented by its seven core brand values.

The purpose of the sustainability strategy is to minimise negative impacts on sustainability aspects, support positive impacts and pursue opportunities arising in particular from the transition to an environmentally, economically and socially responsible future. The elements of this strategy relate to sustainability aspects and also take the resulting challenges into account (listed below as examples). They were operationalised in the core areas across six subject areas, the "Hypo Effect" topics.
- **Emissions:** Group-wide data collection and reduction in emissions
  Challenge: Data quality and availability; development of a climate transition plan and definition of an implementable decarbonisation strategy (see E1-1.14, E1-1.16a-j)
- **Fair employer:** Promotion of a social corporate culture and compliance with human rights standards
- **Financing and investment:** Continued strict application of exclusion and positive criteria. Development/enhancement of new and existing products to include sustainability aspects.
  Challenge: Designing attractive products to include sustainability aspects while taking economic efficiency into account; avoidance of greenwashing
- **ESG risks:** Consideration of material environmental risks and establishment of a robust data pool for the long term (see E1-SBM-3.18 et seq.)
  Challenge: Data availability and methodological approach in topic-specific areas; establishment of expertise (e.g. evaluation of biodiversity-related transmission channels and their measurability)
- **Customers and communities:** Obtaining and taking into account extensive stakeholder opinions and assuming social responsibility through social engagement
  Challenge: Continuous dialogue to fulfil sustainability-specific regulatory requirements in times of economic uncertainty
- **Transformation:** Supporting all relevant stakeholders on the path to an economic, environmental and social future
  Challenge: Impartially communicating knowledge about sustainability to all relevant stakeholders; expanding implementation in all departments and governance structures (see e.g. topic-specific information under E1-2 and E4-2)

A comprehensive materiality analysis, supplemented by expert workshops and with the involvement of relevant stakeholders, was used to identify key focal points. Customers, suppliers and employees were given the opportunity to have a direct influence on Hypo Vorarlberg's sustainability strategy. In this way, the company is pressing ahead with the necessary change despite the regulatory challenges.

Future challenges include reviewing the findings from the materiality analysis and evaluating them from a corporate perspective, including combining them with the existing sustainability strategy as necessary, and subsequently implementing or operationalising them within the company.

One approach to ensuring that topics are handled in a structured manner is to establish projects for major material topics. This ensures the orderly discussion of the topics, with the resulting findings forming an important basis for strategic considerations and decisions.

42) Description of the business model and value chain
42a) Description of the inputs of the business model and value chain and the approach to gathering, developing and securing these inputs
Hypo Vorarlberg's sustainability strategy is based on a comprehensive understanding of sustainability that encompasses the economic, social and environmental dimensions. These three areas carry equal weight, and the company seeks to achieve an optimum balance between them in its day-to-day activities.

ECONOMY
Instead of focusing on speculation and profit maximisation, Hypo Vorarlberg places the greatest emphasis on security and conserving the value of customer funds. Hypo Vorarlberg is a strong and reliable partner for the population and the economy in its market areas. The company is therefore increasingly focusing on environmentally and socially responsible investment solutions and measures in its lending business. The range of environmentally and socially responsible products and services will be reviewed on an ongoing basis and expanded as appropriate.

SOCIETY
As one of the largest employers in its home market of Vorarlberg, Hypo Vorarlberg considers retaining jobs both in the region and beyond to be a core task. As an employer, the company promotes open and respectful interaction and ensures positive conditions through gender equality in recruitment and salary, flexible working time models and workplace health promotion, among other things. In the interests of responsible personnel development, it places an emphasis on continuous training and professional development and trains its own junior staff. Hypo Vorarlberg shares its economic success with the surrounding area by maintaining long-term partnerships and sponsorship schemes in culture and sport and supporting individuals and non-profit projects through its own charitable fund.

ENVIRONMENT

Own business operations
Hypo Vorarlberg continuously makes its employees aware of issues such as resource consumption, waste separation and conscious mobility. The company's aim is to reduce its energy and resource consumption and hence its operational CO_2 emissions. Hypo Vorarlberg also ensures that its value chain remains in its core markets. It works with service providers, suppliers and partners to improve its environmental impact.

Downstream value chain
As Hypo Vorarlberg operates as a service provider in the financial sector, operational emissions only play a minor role. However, the financed and invested portfolios have been identified as material. Measuring and controlling these emissions plays a crucial role.

Core business
Hypo Vorarlberg also fulfils its ethical and social responsibility when it comes to its financing and its products. It offers products that have a social or environmental connection or purpose. To avoid greenwashing, the Bank complies with legal requirements when fulfilling its environmental contribution and has its products certified by third parties where possible. Specific indicators can be found in the applicable frameworks (such as the Green Bond Framework). The EU taxonomy, a classification system for sustainable economic activities, also serves as a guide. It defines an activity as sustainable if it contributes substantially to at least one of the six environmental objectives while also not jeopardising or significantly harming any of these objectives.

42b) Description of outcomes in terms of current and expected benefits for customers, investors and other stakeholders
People and companies in Vorarlberg, in selected regions of Austria and in eastern Switzerland and southern Germany are customers of Hypo Vorarlberg. Hypo Vorarlberg focuses on its core competencies.

BUSINESS MODEL
Hypo Vorarlberg's business model is based on its customers' trust. This means that discretion and the protection of the data entrusted to it are crucially important for the company's economic success. Customer satisfaction is a top priority for Hypo Vorarlberg, which is why the company continuously invests in its locations and in training its employees. This allows it to live up to its aspiration of providing the best advice for everyone with a plan. As an advisory bank, Hypo Vorarlberg's customers are central to everything it does. Rather than offering standardised solutions, it concentrates on conscientious advice and careful product selection in order to satisfy its customers' needs. Regular awards confirm the high level of customer focus and customer satisfaction.

Through its financial products, Hypo Vorarlberg can exert a positive influence over other economic players and contribute to the advancement of a socially, environmentally and economically responsible economy. While it used to be primarily institutional investors who wanted to invest their money in an environmentally and socially responsible manner, now private customers are also increasingly asking which companies and projects their money is being invested in. For Hypo Vorarlberg, this development represents both an opportunity and a challenge. On the one hand, it opens up the possibility of addressing new customer groups with environmentally and socially responsible products and services, thereby remaining economically competitive. On the other hand, it is essential to keep pace with regulatory developments. Hypo Vorarlberg masters this balancing act by also fulfilling its responsibility on the product side, i.e. by reducing adverse impacts on the sustainability factors and effectively managing sustainability risks.

Hypo Vorarlberg continuously adapts its range of products and services to customer needs and the state of the art. Although digitalisation is opening up new opportunities for contacting customers, Hypo Vorarlberg also retains a clear commitment to its locations.

SOCIAL ENGAGEMENT
In 2014, Hypo Vorarlberg established a dedicated fund for supporting charitable projects. Every year, part of the profit generated is transferred to this fund. Hypo Vorarlberg pays attention to regionality and diversity in all its engagements and generally seeks to ensure a long-term relationship. Further requirements include the personal commitment of the project operators and the professionalism of the projects supported.

42c) Main features of the value chain and the undertaking's position, as well as key players and their relationships
As a financial institution, the downstream value chain (customer business) is material and is the focus of the analyses.

Hypo Vorarlberg's core brand values		
Excellent, Mindful, Interconnected, Reliable, Consistent, Efficient, Ambitious		
Upstream value chain	**Hypo Vorarlberg**	**Downstream value chain**
Procurement/suppliers/infrastructure: Workplace equipment (hardware/software) Office equipment Advertising materials and customer gifts Mobility and logistics Construction, maintenance and operation of buildings, technology and security installations	**Management:** Corporate governance Strategic bank management Group risk controlling Compliance and outsourcing Products and services: ▪ Investment business ▪ Financing/leasing **Support:** Human resources IT Legal Marketing and communication Sales support Project management	**Customers:** Financed/invested portfolios: ▪ Financing/leasing ▪ Asset management ▪ Own-account investments

DISCLOSURE REQUIREMENT SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

45a-d) Stakeholder engagement and its impact on the business model
In order to understand which stakeholders are affected by Hypo Vorarlberg's business activities and upstream and downstream value chain or could be affected in future, stakeholders were surveyed on the topics specified by ESRS 1 in 2023 using an online questionnaire. The following stakeholders were identified as material:

- Owners, affected
- Supervisory Board, affected
- Employees, affected and interested
- Customers, (potentially) affected and interested
- Media, interested
- Suppliers and external service providers, (potentially) affected and interested
- Politics and administration, (potentially) affected and interested
- Investors, (potentially) affected and interested
- Rating agencies, interested
- Interest groups and industry associations, interested
- Public, (potentially) affected and interested
- NGOs, (potentially) affected and interested

Regular stakeholder dialogue also takes place through various channels. The qualitative insights and practical experiences gained from engaging with the various stakeholder groups were also taken into account in the materiality assessment along with the quantitative feedback from the questionnaire. This ensured that both standardised feedback and context-specific practical experiences were incorporated into the assessments. This feedback from day-to-day business activity helps the Bank to validate existing assessments, identify new developments at an early stage and take context-specific experiences into account to an appropriate extent.

Stakeholder group	Meeting frequency	Frequency
Owners	Supervisory Board	5 x per year
	Annual General Meeting	Annually
Supervisory Board	Supervisory Board meetings	5 x per year
Employees	Internal communication (regular information by e-mail,	Regularly
	employee magazine, intranet, presentation of results)	Regularly
	Employee events (Christmas party, winter activity day, etc.)	Regularly
	Works Council	Regularly
	Staff appraisals	Annually
	Whistleblowing	As required
	Mindful Cooperation (anonymous reporting platform for employees)	As required
Customers	Personal contact with advisors	Regularly
	Customer communication	Regularly
	Customer service centre	Regularly
	Customer events (customer concert, business breakfast)	Regularly
	Complaints management	As required
	Am Puls investor magazine	Regularly
	Social media channels, website, newsletter	Regularly
	Customer surveys	Regularly

Stakeholder group	Meeting frequency	Frequency
Media and PR	Extensive press and public relations	Regularly
	Press conferences, interviews	Regularly
Suppliers/external service providers	Business contacts	Regularly
	Code of Conduct	Regularly
Politics and administration	Supervisory Board	5 x per year
Investors	Investor relations (e.g. roadshows)	When products are released
	Extensive press and public relations	Regularly

Engaging with stakeholders means that their interests are taken into account and their views on the relevant impacts of Hypo Vorarlberg's business activities on people and the environment are obtained. This is important when it comes to ensuring the completeness of the identified impacts.

After final identification and assessment, the material sustainability topics were derived using the principle of double materiality in accordance with ESRS 1 section 3.3. The topics identified as material form the basis for the sustainability strategy, which is continuously reviewed and enhanced to reflect ongoing stakeholder engagement.

Based on the stakeholder dialogue, no changes have been made to the business model to date and no immediate need to amend existing policies or strategies has arisen. It is therefore also unlikely that the relationship with stakeholders and their views will change.

However, the insights gained through continuous stakeholder engagement are taken into account in strategic considerations. This ensures that potential changes in the regulatory, societal or economic environment are identified at an early stage and, where necessary, incorporated into the further development of the sustainability strategy and relevant policies.

The Managing Board and Group managers were involved in the materiality analysis process from the outset. They participated in the workshops and, as stakeholders, also had the opportunity to respond to the online survey. The main topics were reported to the Supervisory Board. The Supervisory Board also receives the non-financial statement for review and approval. The Managing Board analysed the impacts as well as the risks and opportunities and subsequently approved them together with the material topics.

S1 SBM-2.12) Interests, views and rights of people in the undertaking's own workforce
Hypo Vorarlberg uses a materiality analysis to regularly determine which sustainability issues are of particular relevance. In addition to experts from the company, this process involves all employees directly via an online survey. This ensures that their interests and views are taken into account. In turn, the findings of the materiality analysis are taken into account in the sustainability strategy.

Employees are the most important resource for a successful company. Hypo Vorarlberg therefore pays particular attention to human rights matters that affect its employees. To prevent negative impacts and give employees the opportunity to optimally contribute to the company and develop to their full potential, there is no discrimination on the basis of gender, age, nationality, ethnic and social origin, religion or ideology, marital status, personal limitations, sexual orientation or identity, either when employees are recruited or in their everyday working life.

The Group's sites are located in countries where fundamental human rights are both enshrined in law and actively practised in everyday life and business operations. Hypo Vorarlberg also wants to make an important contribution to improving the human rights situation. Its activities in this area are based on the Universal Declaration of Human Rights, the ILO core labour standards and the OECD Guidelines for Multinational Enterprises. These principles are continuously enhanced in the operational processes.

DISCLOSURE REQUIREMENT SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The consolidation of the individual impacts, risks and opportunities (IROs) results in overarching categories that are listed in the tables below. These relate to all of the topic areas – E, S and G – and will be taken into account in future decision-making and analysis processes on key sustainability topics.

Material environmental, social and governance impacts, risks and opportunities
48a) Disclosure of material impacts, risks and opportunities

No.	IRO bundling	+/-*	Policies	Measures	Value chain
			E1		
E10	Transactions and financing for buildings with renewable energy heating systems promote the use of sustainable energy sources and reduce greenhouse gas emissions	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E11	The use of fossil fuels at the Bank's own locations and in its vehicle fleet results in significant greenhouse gas emissions and contributes directly to global warming	-	▪ Sustainable procurement and circular economy in business operations	▪ Not specified	Own business operations

No.	IRO bundling	+/-	Policies	Measures	Value chain
			E1		
E12	Activities involving land-use changes, such as new construction, deforestation or road building, generate greenhouse gas emissions that contribute to global warming	-	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E13	Transactions in the fossil fuel sector result in significant GHG emissions and contribute to global warming	-	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E14	The development of financial products that take sustainability considerations into account makes a significant contribution to reducing greenhouse gas emissions and supports the transition to a low-carbon economy	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E15	Taking ESG data and positive criteria into account in lending/transactions contributes to the transition to a low-carbon economy	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E16	Financing energy-inefficient buildings with fossil fuel heating systems and a lack of climate change adaptation increases greenhouse gas emissions and exacerbates local climate risks	-	▪ Ethical and sustainable criteria (financing business)	▪ Financing business	Downstream
E17	Improving the Bank's energy efficiency leads to a reduction in energy consumption and thus reduces CO_2 emissions	+	▪ Sustainable procurement and circular economy in business operations	▪ Not specified	Own business operations
E18	Market opportunity: Transactions in connection with renewable energies	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E19	(trans. risks) Credit risk and counterparty default risk; concentration risk: Increased expenditure or high write-downs of debtors due to carbon taxes or rising costs for emissions allowances resulting from changes to the legal framework	-	▪ Risk strategy	▪ Financing business	Downstream
E20	Reputational risk: Discrepancies between actual and target reductions in GHG emissions/financed emissions	-	▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Own-account investments ▪ Asset management	Downstream
E21	(physical risks) Operational risk: Destruction of business infrastructure due to damage to utility lines, fires or flooding	-	▪ Business continuity management (BCM) ▪ Risk strategy	▪ Not specified	Own business operations
E22	Reputational opportunity: Transactions involving measures to reduce emissions and increased energy efficiency	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E23	(physical risk) Credit risk and counterparty default risk, concentration risk: Failure of collateral, liquidity shortages, increased expenditure by debtors due to climate-related changes	-	▪ Risk strategy	▪ Financing business	Downstream

No.	IRO bundling	+/-	Policies	Measures	Value chain
			E1		
E24	(trans. risks) Credit risk and counterparty default risk, concentration risk: Deterioration in customer creditworthiness or failure of collateral due to a decline in customer revenue resulting from changes in customer behaviour	-	▪ Ethical and sustainable criteria (financing business) ▪ Risk strategy	▪ Financing business	Downstream
E25	(trans. risk) Reputational risk: Decline in commission income, loss of customers and revenue due to inadequate compliance with legal requirements or the sale of financial products that are only ostensibly sustainable	-	▪ Risk strategy	▪ Not specified	Downstream
E26	(trans. risk) Risk from the business model, taking into account the effects of diversification strategies; reputational risk: Decline in commission income or loss of customer volume due to inadequate resource allocation and failure to comply with legal requirements	-	▪ Risk strategy	▪ Not specified	Downstream
E27	(physical risk) Risk from the business model, taking into account the effects of diversification strategies: Drought and water scarcity can have a wide range of consequences	-	▪ Risk strategy	▪ Not specified	Downstream
			E4		
E28	Doing business with companies in resource-intensive and environmentally harmful industries contributes to the loss of biodiversity by destroying natural habitats	-	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E29	Transactions that support sustainable agriculture and forestry as well as environmental projects protect and create habitats for biodiversity	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E30	Transactions in industry and real estate, as well as with companies that damage ecosystems, contribute to species extinction and endanger animal and plant species	-	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
E31	Reputational opportunity: Transactions involving environmental projects and protective measures to conserve ecosystems and biodiversity	+	▪ Ethical and sustainable criteria (financing business) ▪ ESG investment approach (Asset Management) ▪ ESG in own-account investments (Treasury: APM & Investments)	▪ Financing business ▪ Asset management ▪ Own-account investments	Downstream
			S1		
S10	Poor working conditions can lead to physical and mental health problems, which can affect employees' ability to work and their productivity	-	▪ "Code of Conduct" policy ▪ HR strategy ▪ MINDFUL COOPERATION guidelines ▪ "Employee Manual – Italy" policy	▪ Measures to promote health	Own business operations
S11	A lack of development opportunities leads to lower motivation and limited career prospects for employees	-	▪ "Code of Conduct" policy ▪ HR strategy	▪ Creation and retention of attractive jobs through training and professional development opportunities	Own business operations

No.	IRO bundling	+/-	Policies	Measures	Value chain
			S1		
S12	Promoting social security and protecting workers' rights through collective agreements, social dialogue, freedom of association and works agreements	+	▪ "Code of Conduct" policy ▪ MINDFUL COOPERATION guidelines	▪ Not specified	Own business operations
S13	Health and safety and a healthy work-life balance promote employee well-being, reduce health risks and enhance job satisfaction and equality of opportunity in the workplace	+	▪ "Code of Conduct" policy ▪ HR strategy ▪ MINDFUL COOPERATION guidelines ▪ "Employee Manual – Italy" policy	▪ Not specified	Own business operations
S14	Discrimination against certain groups of employees and a failure to implement equal treatment measures adversely affect equal opportunities for employees and the working atmosphere and encourage discrimination	-	▪ "Code of Conduct" policy ▪ HR strategy ▪ MINDFUL COOPERATION guidelines	▪ Not specified	Own business operations
S15	Initiatives to reduce inequality promote equal opportunities and diversity, thereby strengthening cohesion within the organisation	+	▪ HR strategy ▪ MINDFUL COOPERATION guidelines	▪ Not specified	Own business operations
S16	Reputational opportunity: Creation and maintenance of attractive and secure jobs through fair and equitable working conditions, inclusion, respect and diversity	+	▪ "Code of Conduct" policy ▪ HR strategy ▪ MINDFUL COOPERATION guidelines	▪ Not specified	Own business operations
S17	Reputational opportunity: Promotion of employee well-being, satisfaction and a healthy work-life balance	+	▪ "Code of Conduct" policy ▪ HR strategy ▪ "Employee Manual – Italy" policy	▪ Not specified	Own business operations
			S4		
S18	Careful scrutiny of loans granted to low-income households helps to prevent overindebtedness and potential social problems	+	▪ "Sales strategy (Corporate and Private Customers)" policy	▪ Not specified	Own business operations
S19	Data protection and information security breaches can lead to the disclosure of sensitive data, result in financial losses and significantly undermine customer trust	-	▪ Information security guideline ▪ "Data protection organisation" policy	▪ Measures related to data protection ▪ Information security	Own business operations
S20	Transparent product labelling and personalised advice help to prevent misinformation and empower customers to make informed decisions	+	▪ "Code of Conduct" policy ▪ "Sales strategy (Corporate and Private Customers)" policy	▪ Promotion of customer transparency and information	Own business operations
S21	The implementation of internal control mechanisms enhances the level of protection for corporate and personal data and strengthens trust among customers and stakeholders	+	▪ "Code of Conduct" policy ▪ Information security guideline ▪ "Data protection organisation" policy	▪ Not specified	Own business operations
S22	Ensuring the accessibility of banking and financial services contributes to social inclusion and equal opportunity, particularly for people with disabilities	+	▪ "Code of Conduct" policy ▪ "Complaints management and ombudsman" policy and complaints procedure	▪ Promotion of customer centricity and accessibility	Own business operations
S23	Reputational and operational risk due to data protection violations and hacker attacks	-	▪ Information security guideline ▪ "Data protection organisation" policy	▪ Measures related to data protection ▪ Information security	Own business operations
S24	Reputational risk: Selling products that are only ostensibly sustainable and eco-friendly can lead to a loss of trust and a decline in customer numbers	-	▪ "Sales strategy (Corporate and Private Customers)" policy	▪ Not specified	Own business operations

No.	IRO bundling	+/-	Policies	Measures	Value chain
S4					
S25	Reputational/operational opportunity: Increased customer appeal through investments in data protection, information security and secure products and services	+	▪ "Code of Conduct" policy ▪ "Complaints management and ombudsman" policy and complaints procedure ▪ Information security guideline ▪ "Data protection organisation" policy	▪ Promotion of customer transparency and information ▪ Promotion of customer centricity and accessibility ▪ Measures related to data protection ▪ Information security	Own business operations
S26	Operational risk: Inadequate security measures in online channels result in cases of fraud or identity theft affecting customers	-	▪ "Code of Conduct" policy ▪ Information security guideline ▪ "Data protection organisation" policy	▪ Not specified	Own business operations
S27	Regulatory risk: Loss resulting from regulatory changes, e.g. regarding anti-discrimination of consumers and/or end-users, access to products and services and marketing practices	-	▪ "Code of Conduct" policy ▪ "Sales strategy (Corporate and Private Customers)" policy	▪ Not specified	Own business operations
G1					
G10	Shared values, a mission and a Code of Conduct strengthen the corporate culture, promote responsible behaviour within the organisation and ensure sustainable business development	+	▪ "Code of Conduct" policy	▪ Not specified	Own business operations
G11	The establishment of transparent complaints mechanisms within the organisation and for stakeholders, including whistleblower protection, promotes fairness, transparency and customer trust	+	▪ "Whistleblowing system for reporting violations" policy	▪ Preventing and combating corruption	Own business operations
G12	The establishment of transparent complaints mechanisms within the organisation and for stakeholders, including whistleblower protection, promotes fairness, transparency and customer trust	+	▪ "Sustainable procurement and circular economy in business operations" policy	▪ Not specified	Own business operations
G13	The absence of risk mitigation measures in transactions involving high-risk industries and countries increases the risk of corruption or bribery	-	▪ "Corruption prevention" policy	▪ Not specified	Own business operations
G14	The implementation of internal control systems helps to detect and prevent corruption and bribery	+	▪ "Corruption prevention" policy	▪ Not specified	Own business operations
G15	Operational opportunity: Promotion of a trust-based working culture	+	▪ "Code of Conduct" policy	▪ Not specified	Own business operations
G16	Reputational and market opportunity: Enhancing customer appeal and public trust through cooperation with certified and regional suppliers	+	▪ "Sustainable procurement and circular economy in business operations" policy	▪ Not specified	Own business operations
G17	Regulatory risk: Incidents of corruption and bribery can result in fines and loss of business	-	▪ "Corruption prevention" policy	▪ Not specified	Own business operations
G18	Operational opportunity: Preventive measures through regular compliance training	+	▪ "Corruption prevention" policy	▪ Not specified	Own business operations

*+ = positive; - = negative

48b, c, d, f, g, h) S1-SBM-3.13a-b) S4-SBM-3.9a-b) Current and expected effects of material impacts, risks and opportunities on the business model, value chain, strategy and decision-making as well as measures, impacts on people and the environment related to the company's strategy or business model including time horizon, resilience of the strategy and business model and changes

ENVIRONMENT

The impacts, risks and opportunities (IROs) are identified annually as part of the materiality analysis and compared with the results of the risk inventory. The results are taken into account in strategic development in order to respond to new developments and take account of relevant risks and opportunities at an early stage. The IROs do not affect the fundamental business model, but will affect the value chain, strategy and decision-making in the area of sustainability in future. Further information can be found in ESRS 2 BP-2.10-13, E1-E4 (impact, risk and opportunity management), E1-3 and E4-3.

A large proportion of the material environmental aspects relate to negative impacts such as GHG emissions from business operations, the vehicle fleet and land-use changes, emissions from investments in pollutant-intensive industries, loss of biodiversity through industry investments and soil sealing in the construction sector. The sustainability risk inventory has found that Hypo Vorarlberg is exposed to physical risks and transition risks. The inventory shows physical risks from flooding and possible medium-term strategic risks from rising temperatures as well as transition risks from changes in the legal framework. See Group Risk Controlling E1-20b including AR 11 and E1-20c including AR 12.

Positive impacts result in particular from the promotion of renewable energies and the financing of energy efficiency measures. These contribute directly to the reduction in GHG emissions and support climate change adaptation. Financing and investments in projects that make a positive contribution to biodiversity promote the protection of ecosystems.

The positive impacts of financing and investments in future-oriented industries and projects are particularly effective in the medium to long term, as they promote the transition to a climate-friendly economy. Conversely, negative impacts such as GHG emissions from the company's own business operations or from transactions with companies from industries that are not sustainability-oriented can cause operational challenges in the short term and contribute to the exacerbation of global environmental problems in the long term.

Positive impacts result from the targeted channelling of financial resources, such as the financing of environmentally responsible projects or investments in renewable energies, energy efficiency measures and projects to promote biodiversity. At the same time, the company is also involved in negative impacts through its lending and investment decisions. This includes indirect environmental impacts, such as the loss of biodiversity or soil sealing in the construction sector.

The positive and negative impacts identified are closely connected to the corporate strategy and business model. Investments in renewable energies and environmentally and socially responsible projects support the company's strategic goals in the area of environmental and climate protection. The implementation of measures to reduce GHG emissions and for climate change adaptation serves to strengthen the resilience of the business model and ensure long-term competitiveness.

Hypo Vorarlberg understands resilience as a systematic assessment of changes, crises and risks with the aim of evaluating financial impacts and improving risk-bearing capacity. Hypo Vorarlberg assesses its resilience on the basis of the approach described as well as financial, operational, regulatory and strategic factors. In view of its solid capitalisation and liquidity position, it considers itself to be resilient and well equipped to engage in stable operations even in challenging market conditions.

A structured process for identifying and managing sustainability risks is carried out annually. Risks recognised as material are assessed in greater depth, control measures are allocated them as necessary and the risks are documented in the sustainability risk report. Strategic risks are addressed in the business and sustainability strategy. The sustainability risk report does not currently identify any short-term material risks for the Bank. Through this annual process, Hypo Vorarlberg ensures its resilience regarding its ability to manage material risks and guarantees that its strategies are continuously refined. For further information see also: E1 (Climate change – material impacts, risks and opportunities and their interaction with strategy and business model).

This review process not only minimises risks and their impacts, e.g. by applying exclusion criteria, but also allows opportunities to be identified and pursued. The launch of new products that have a clear social or environmental connection and make a positive environmental or social contribution represents a potential opportunity. Further information can also be found in E1-E4 (impact, risk and opportunity management), exclusion criteria/selection criteria/positive criteria: E1-2, E1-3, E4-2, E4-3.

SOCIAL

As part of the double materiality assessments, positive impacts and opportunities were identified with regard to the company's own workforce in particular. The contribution to improved working conditions, equal opportunities and the social integration of employees into the business process plays a central role. The continuous promotion of these aspects increases employee satisfaction, which is reflected in positive feedback in employee surveys and appraisals. The low staff turnover rate and the high utilisation of further training opportunities are expected to lead to a stronger sense of solidarity within the workforce. Employee retention also promotes trust in the company and supports employees by providing secure conditions for their life planning and financial stability.

The promotion of working conditions and targeted employee development contribute to a positive corporate culture and increased employee loyalty. Equal opportunities and diversity measures promote an inclusive working environment, which makes the company more attractive as an employer.

By giving disadvantaged groups access to financial services, the company actively contributes to social inclusion. Conversely, data protection violations and data protection violations represent potential negative impacts that can jeopardise both the personal security of end-users and the reputation of the company. Investments in data protection controls and security measures are necessary to preventively counteract these risks.
The company contributes directly to creating a positive impact through its activities, e.g. by shaping working conditions, complying with data protection standards and promoting diversity. The findings from the double materiality analysis underline the company's responsibility for actively managing these impacts through preventive and proactive measures.

At the same time, negative impacts and risks have been identified, such as mental and physical stress in the workplace and operational risk in the event of staff shortages or a negative reputation, e.g. due to data loss or hacker attacks. Such risks create uncertainties that can potentially lead to dissatisfaction or even health problems among employees, and hence to efficiency losses. The findings of the double materiality analysis have been identified as important in terms of development potential and are taken into account.

The positive and negative impacts described are closely connected to the corporate strategy and business model. Strategic initiatives to improve working conditions and equal opportunities, increase data security and promote social inclusion are strengthening the resilience of the business model. These measures help to secure the trust of employees and customers for the long term and ensure the company's success. The positive impacts, such as increasing employee loyalty or promoting diversity, are particularly effective in the medium to long term. On the other hand, negative impacts such as staff shortages or data protection violations can lead to operational challenges in the short term, as well as having long-term consequences for the corporate culture and the company's reputation.

The identified negative impacts of physical and mental workload are counteracted by various preventive measures, thereby building resilience. For example, employees undergo mandatory training on safety in the workplace. A company doctor and an occupational psychologist are also available if required. A Health Committee is responsible for designing and enhancing the programme for strengthening mental and physical health. The effectiveness of the measures is monitored using key figures such as sick days and the staff turnover rate. The prevention measures also serve as an opportunity for Hypo Vorarlberg to position itself as an attractive employer. The needs and expectations of employees are addressed during employee appraisals and subsequently supported with specific measures (e.g. training and professional development).

With regard to customers and consumers, material negative impacts and risks have been identified in relation to data protection and information security. The secure handling of sensitive data of all customer and consumer groups is extremely important to Hypo Vorarlberg. To this end, it continuously invests in and expands security measures in order to meet all regulatory requirements and customer expectations and needs and to avoid being susceptible to the dangers of constantly increasing cyber crime. Resilience is monitored using key figures on data protection violations.

GOVERNANCE

The corporate culture is a central component of Hypo Vorarlberg's corporate strategy and is reflected in the processes of its business model. It promotes solidarity and trust in the company throughout the entire value chain. This culture is summarised in the Code of Conduct. In addition to the corporate culture, the Code of Conduct includes binding rules of conduct for day-to-day business, including anti-corruption and anti-bribery policies. Other aspects include the promotion of a safe working environment, the establishment of procedures for reporting violations and policies governing regular employee training. In particular, potential incidents of corruption and bribery can have serious consequences for the company and its employees, resulting in financial losses and negative impacts in the value chain.

Consistent compliance and integrity within the company serve to ensure a higher degree of security and counteract these negative impacts. This is based on the guarantee of anonymity, protection for whistleblowers and internal control systems. The contribution to local and regional value creation has also been identified as a valuable opportunity in the company's own business operations. Integrating corresponding processes into everyday business life helps to strengthen the local economy, create jobs and support infrastructure. The Code of Conduct is regularly reviewed and was further revised in 2025 to ensure that it meets changing legal requirements and stakeholder expectations. Detailed information on the corporate culture can be found under G1-1.

The positive impacts in the area of governance, such as strengthening the corporate culture through ethical business practices and adherence to compliance standards, are particularly effective in the medium to long term. They have a positive impact on employees and society, support responsible innovation, strengthen the trust of stakeholders and create competitive advantages. Conversely, negative impacts such as incidents of corruption or bribery or the inadequate implementation of compliance measures can lead to legal and operational challenges in the short term, as well as causing long-term damage to the company's reputation and relationships with stakeholders. Adherence to legal provisions and strengthening the trust of customers and relevant stakeholders can only be ensured through consistent compliance.

The impacts are closely connected to the corporate strategy and business model. Promoting a strong corporate culture characterised by integrity, transparency and ethical conduct is a key component. The Code of Conduct forms the basis for decisions and actions and thus promotes responsible business conduct. Stakeholder relationship management contributes to risk minimisation and long-term value creation. This helps Hypo Vorarlberg to position itself as a responsible and sustainable organisation in a highly competitive market environment.

Hypo Vorarlberg influences the material impacts both directly through its business conduct and indirectly through its business relationships. Direct responsibility is reflected in the creation of a strong corporate culture, adherence to compliance requirements and the promotion of regional value creation. Indirectly, the company contributes to the implementation of social and environmental standards through its cooperation with suppliers and partners.

Material impacts in connection with bribery and corruption were identified in the course of the materiality analysis. All employees are provided with an insight into and information on these topics during the onboarding process. In addition, mandatory training courses take place every year and particularly affected risk groups have been defined. By clearly defining responsibilities in a Managing Board directive that applies to Hypo Vorarlberg, specific measures to minimise risk have been established including employee training at all levels and the (further) development of emergency plans and systems (e.g. the whistleblowing system). These measures are continuously improved in order to further strengthen the prevention of bribery and corruption. Hypo Vorarlberg's resilience is demonstrated by the fact that it has not received any penalties in connection with bribery and corruption.

ENVIRONMENT, SOCIAL, GOVERNANCE

The current financial effects of the material risks and opportunities are not currently available for all areas, as this data has yet to be comprehensively quantified and recorded.

The review of the materiality analysis in 2025 found that, for a financial institution, the focus is shifting to the downstream value chain (customer business). The following topics were identified as immaterial compared to 2024: E2 Pollution, E5 Circular economy, S3 Affected communities. All of the associated IROs are therefore no longer included in this report. Hypo Vorarlberg does not disclose any additional entity-specific information on the impacts, risks and opportunities that goes beyond the ESRS requirements.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

53a-h) Description of the methodologies and assumptions applied in the described process
The materiality assessment is carried out in several stages. Key components include a questionnaire-based stakeholder survey to evaluate the IROs, which was conducted for the first time in 2023, as well as expert workshops launched in the same year. Since then, an annual review process has been conducted to ensure that the materiality analysis is continuously developed and updated. While all internal and external stakeholders must be included when performing an analysis, only the relevant specialist departments may be consulted as experts in the review process (expert workshops).

STAKEHOLDER ENGAGEMENT
In order to fulfil its due diligence obligation, Hypo Vorarlberg surveyed its relevant stakeholders (see SBM2-45 a-d) on the topics specified by ESRS 1 in 2023 using an online questionnaire. Engaging with stakeholders means that their interests are taken into account and their views on the material impacts of Hypo Vorarlberg's business activities on people and the environment are obtained.

The participants firstly rated the topics in relation to Hypo Vorarlberg from 1 (not relevant) to 4 (highly relevant). They were then able to provide information on additional impacts in the open text fields. There were no responses to the questionnaire in the stakeholder groups "Media" and "Rating agencies". The stakeholders were not prioritised in the survey. To determine the qualitative outcomes, all of the feedback was analysed and examined for (potential) impacts. These were harmonised with the list of impacts already drawn up and new impacts were evaluated by the Sustainability Group for their materiality. This is important when it comes to ensuring the completeness of the identified IROs.

EXPERT WORKSHOPS
During the workshops, the experts from internal departments and representatives of the subsidiaries incorporate insights from ongoing discussions and dialogues with various stakeholder groups. No external experts were involved in this year's review.

In accordance with the principle of double materiality, a sustainability aspect must be reported if it is material in terms of its impact on people and the environment or from a financial perspective. To this end, the IROs from the previous year's workshops were evaluated by internal specialists, summarised and, where necessary, modified.

For the 2025 review, the following points were taken into account compared to the previous year:
- Incorporation of the sustainability risk inventory into the evaluation of the IROs
- Thresholds for the gross risk assessment of financial risks
- Refinement of the rating scales
- Allocation of the IROs to the three cornerstones of Hypo Vorarlberg (corporate banking, residential construction banking, investment banking)
- Examination of business areas such as own business operations, suppliers, management, employees and customers along the value chain
- Validation of reasons for ratings with specialist departments

This broader perspective allowed for a deeper and more nuanced examination of the key issues.

Furthermore, a detailed overview of the fully consolidated subsidiaries, their business activities and their significance for the Group as a whole was prepared in order to identify potential deviations from the parent company. There were no significant deviations or factors indicating a heightened risk of adverse impacts.

To identify the IROs, Hypo Vorarlberg's business activities and its value chain were analysed and potential impacts, risks and opportunities relating to environmental, social and governance issues were formulated. The list of topics in accordance with ESRS 1 AR 16 served as the basis, with sub-sub-topics being used for a detailed breakdown where necessary.

Actual and potential negative and positive impacts as well as risks and opportunities from the company's own operations or from the upstream and downstream value chain were identified for each topic. In particular, operational activities include the operation of branches and office buildings with an impact on environmental aspects such as heating, mobility and IT procurement. In addition, Hypo Vorarlberg can positively direct capital flows and hence responsibly influence projects and companies in its role as a lender and provider of investment products and services.

Financial thresholds prescribed by Group Risk Controlling were applied in evaluating the key risks. The opportunities were not assessed on the basis of the financial thresholds. The figures for the financial impact are the thresholds applied at Hypo Vorarlberg. This has the advantage of ensuring comparability within the Group. The risks and opportunities were also categorised, e.g. as market, reputational, operational, strategic or regulatory risks or opportunities.

ASSESSMENT METHODOLOGY
The workshops began with an introduction to the assessment methodology according to ESRS 1 sections 3.4 and 3.5. Sustainability-related impacts, risks and opportunities emanate from the company and its activities and business operations and affect people or the environment. They may be actual or potential, negative or positive, short-term, medium-term or long-term, intended or unintended, and reversible or irreversible.

The materiality of impacts, risks and opportunities is determined by the degree of severity, based on the magnitude, scope, remediability and probability of occurrence. The assessment was carried out on both a quantitative and qualitative basis in consultation with the relevant specialist departments and subsidiaries and was recorded in writing. The highest value (maximum value) for each IRO was used to assess materiality. The assessments and justifications from the 2024 review served as the basis; these were reviewed during the workshops and modified and reassessed where necessary.

After the workshops were completed, a quality assurance process was carried out to check the assessment for completeness and plausibility. Any adjustments should be seen as a continuous improvement process to ensure an accurate assessment. Finally, the evaluations were aggregated and analysed. To analyse the results, the sum of the severity parameter (on a scale from 1 to 5) and the recoverability parameter (where applicable) was determined, divided by the number of applicable parameters and multiplied by the likelihood of occurrence. The maximum of the three time periods (short, medium and long term) was then applied in determining the overall assessment for an IRO.

The assessments of impact materiality and financial materiality are connected and the interdependencies between these two dimensions are taken into account. In general, the starting point is the assessment of impacts, although there may also be material risks and opportunities that are not related to the undertaking's impacts.

DISCUSSION OF THE EFFECT OF THE MATERIALITY CORRIDOR

The materiality corridor is used in the double materiality assessment to classify an organisation's material sustainability topics more precisely. Topics that lie within this corridor may be evaluated by the company in greater detail. By contrast, topics that are assessed as being significantly above or below the corridor in the materiality analysis must be categorised as material or immaterial.

Strategically relevant topics that will become more important in future may also be recognised as material at an early stage. If an impact exceeds the threshold of > 1.9/5 for impact materiality and a risk or opportunity exceeds the threshold of > 1.3/4 for financial materiality, it is considered material for Hypo Vorarlberg. IROs relating to human rights that are located within the defined corridor are considered to be material. Even if the likelihood of occurrence is lower, it is crucial to assess the magnitude of the potential impairment for the people affected.

CALCULATION OF THE MATERIALITY CORRIDOR

The materiality corridor is calculated separately for impact materiality and financial materiality, with the same methodology being used for both.

- The mean of all results is calculated based on the quantitative results of the materiality assessment. Results below 0.1 are excluded in order to prevent the distortion of the average by these very low values.
- The mean thus calculated is then adjusted by 20% in each direction. This results in the materiality corridor.

Sustainability risks have not been prioritised.

The handling of sustainability risks at Hypo Vorarlberg is comprehensively regulated. Group Risk Controlling is responsible for risk controlling, which comprises the annual revision of the risk strategy including the performance of the risk inventory, the annual sustainability risk report and the development of risk models. One aspect of this is the identification of sustainability risks. Group Risk Controlling focuses on identifying potential risks, recognising and avoiding cluster risks and building up a data pool and expertise. Risks in the Internal Capital Adequacy Assessment Process (ICAAP), the Internal Liquidity Adequacy Assessment Process (ILAAP) and sustainability risks are generally assessed using models that take into account the business strategy, the portfolios in question, the respective risk appetite and the respective perspective. Group Risk Controlling must maintain a model inventory containing all key information on the models used (in risk controlling). The risks recognised as material are handled in the risk strategy for the respective risk type. Strategic risks are addressed in the business and sustainability strategy.

At Hypo Vorarlberg, the process for identifying, evaluating and managing opportunities is integrated into the management process as follows:

- As part of the materiality analysis, opportunities (e.g. market opportunities, reputational opportunities, operational opportunities) are identified in the areas E1, E4, S1, S4 and G1 in particular.
- The opportunities identified are approved by the full Managing Board. This ensures that opportunities are recognised and supported at the highest level.
- By aligning the areas of E1, E4, S1, S4 and G1 with the existing "Hypo Effect" topics in the sustainability strategy, the aim is to lay the foundations for operationalising the opportunities for the specialist departments. The company plans to evaluate the identified opportunities on an ongoing basis and to review their in-depth strategic consideration and allocation.
- Internal stakeholders compared the opportunities identified in the reporting year with the existing policies in order to design the minimum disclosure requirements (policies and actions) and fulfil the ESRS disclosure requirements. This enabled additional projects, policies and measures to be allocated to the identified opportunities.
- Opportunities are integrated into the management process in order to minimise negative impacts on sustainability aspects, support positive impacts and pursue opportunities arising in particular from the transition to an environmentally and socially responsible future. The continuous enhancement of strategies, business models, processes and services is essential.

TOPICAL DISCLOSURE REQUIREMENTS

General declaration for E1 IRO-1.20a to E4 19a-b

For all of the following points, the consideration of the operational area and the company's own locations is not material for Hypo Vorarlberg as a financial corporation and only the E1 topics address the operational perspective to a limited extent. The downstream value chain was identified as material, namely financing and investment business and own-account investments.

TOPICAL DISCLOSURE REQUIREMENTS: E1 CLIMATE CHANGE

E1-20a) Disclosures on the impacts of climate change, in particular the undertaking's greenhouse gas emissions

To determine the GHG emissions, the defined Scope 1 to 3 emissions are recorded annually for the company's own business activities and for the value chain. Scope 1 represents direct emissions, Scope 2 indirect emissions (e.g. purchased electricity), and Scope 3 those emissions that do not fall under the first two scopes and that are covered by Hypo Vorarlberg's value chain. In addition to other significant categories in Scope 3, category 15 (financed emissions) is extremely important for a credit institution.

Further details and additional information can be found in the following sections of the non-financial statement:

- Own business operations: BP-2.10-13
- Downstream value chain (Scope 3.15): E1-6
- GHG accounting: PCAF: BP-2.10-13, decarbonisation: E1-1-14 et seq., E1-3.29, 29a

E1-20b including AR 11) Description of the process used to identify and assess climate-related physical risks in own operations and the value chain

OWN BUSINESS OPERATIONS

Climate-related physical risks are assessed every six months by the internal Safety Committee, which identifies potential risks and recommends preventive measures as necessary. No material risks are currently observable, as the introduction of mobile working equipment allows employees to work flexibly at different locations. Annual workplace analyses from Business Continuity Management (BCM) ensure the necessary staffing to maintain business operations. The branch network also enables the flexible distribution of customer service if individual locations are unavailable.

Climate change often unfolds gradually, allowing developments to be identified and assessed at an early stage. The ongoing maintenance of buildings and heating, ventilation and air conditioning systems plays a key role in preserving their value, ensuring operational safety and enabling their long-term use.

GROUP RISK CONTROLLING

Hypo Vorarlberg examines whether assets and business activities are exposed to climate-related risks. The ESRS time horizons – up to 1 year (short term), 1-5 years (medium term) and over 5 years (long term) (including periods of over 10 years) – are applied in risk management.

The most important physical climate risks identified:

Risk pursuant to section 39 (2b) BWG	Consequences of climate change	Flooding	Avalanches	Rising temperatures	Rising sea levels	Droughts/extreme heat	Hurricanes	(Drinking) water shortage	Landslides/mudslides	Other
Credit spread risk of banking book transactions	Natural disasters devastate entire regions									
	Disasters lead to growing uncertainty									
	Rising sea levels increase country risk									
	Natural disasters lead to a rapid outflow of capital									
	Natural disasters increase price volatility									
Concentration risk	Rising temperatures reduce productivity/income			1						
	Natural disasters reduce the value of real estate	1								
	Natural disasters reduce customers' ability to bear debt	1								
Credit risk and counterparty default risk	Rising temperatures reduce productivity/income			1						
	Natural disasters reduce the value of real estate	1								
	Natural disasters reduce customers' ability to bear debt	1				1				
Operating risk	Rising costs of climate change adaptation									
	Rising insurance costs									
	Destruction of business infrastructure									
	Lack of data availability and costs (particularly in the case of outsourcing)									
Interest rate risk of all transactions not classified as market risk (trading book) – IRRBB	Natural disasters devastate entire regions									
	Disasters lead to growing uncertainty									
	Rising sea levels increase country risk									
	Natural disasters lead to a rapid outflow of capital									
	Natural disasters increase price volatility									
Total score		4		2		1				

The table above summarises the risk inventory and shows how many material physical risks have been identified for each risk category in accordance with section 39 (2b) BWG.

The risk inventory shows existing risks from flooding. These can result in serious losses even in the case of HQ100 events and in significant losses in the case of HQ300 events; they can also take effect in the short term. It is difficult to estimate the losses, as the public sector has so far provided support to those affected by flooding and, in some cases, insurance cover is also in place.

The two risk factors of rising temperatures and droughts/extreme heat must be considered together, with rising temperatures constituting a medium- and long-term development and droughts/extreme heat constituting disasters that can occur even in the short term. In the long term, the possibility of both risk factors having a material impact on Hypo Vorarlberg (as defined in the risk inventory) cannot be ruled out.

Physical risks are not considered to pose any reputational risks. Quantitative measurement methods are established for both physical and transition risks.

Area	Transition risks	Physical risks	Other sustainability risks
Treasury	Strategy for using the ESG rating		Exclusion criteria
Private customer financing	Data collection for energy performance certificates	Red zone aspects, HQ100 for new business	Exclusion criteria
Corporate financing	Data collection for energy performance certificates, questionnaire, GHG intensity limit in new business		
Real estate financing	Data collection for energy performance certificates		

E1-20c including AR 12) Identification and assessment of climate-related transformation risks and opportunities in own operations and in the value chain
Stress testing is used to examine the Network for Greening the Financial System (NGFS) scenarios. As the financial relevance is currently still negligible over the planning period, no calculation is made. An assessment of future developments including periods of more than ten years takes place in the risk inventory. The risk inventory includes an analysis by industry to identify the industries with the greatest relevance. The NACE sectors with increased risks are identified when developing the climate transition plan. Particular emphasis is placed on real estate financing. Portfolio management measures are evaluated as part of the development of the climate transition plan.

The most important transitional climate risks identified:

Risk pursuant to section 39 (2b) BWG	Consequences of climate change	Changes to the legal framework	Changes in consumer behaviour (incl. investment behaviour)	Technological developments
Concentration risk	Lower income of debtors/investments due to carbon taxes	1		
	High write-downs of customers' carbon-intensive assets	1		
	Increased investment in new, riskier technologies necessary		1	1
	Decline in property values due to ban on oil or gas heating or higher operating costs	1		
Credit risk and counterparty default risk	Lower income of debtors/investments due to carbon taxes	1		
	High write-downs of customers' carbon-intensive assets	1		
	Increased investment in new, riskier technologies necessary		1	1
	Decline in property values due to ban on oil or gas heating or higher operating costs	1		
Operating risk	More extensive reporting obligations regarding emissions			
	Price rises due to carbon taxes			
	Breach of legal requirements due to inadequate allocation of resources to this topic			
Reputational risk	Lack of engagement with sustainability risks		1	
	Stigmatisation of the company by consumers		1	
	Sale of financial products that are only ostensibly sustainable		1	
Interest rate risk of all transactions not classified as market risk (banking book) – IRRBB	Downgrades of countries that produce large amounts of CO_2			
	Changes in consumer behaviour and technology			
	Increased uncertainty regarding future technologies/legislation			
	Expectations of rising inflation due to carbon taxes			
	Missing the transition to climate-neutral systems and facilities			
Credit spread risk of banking book transactions	Downgrades of countries that produce large amounts of CO_2			
	Changes in consumer behaviour and technology			
	Increased uncertainty regarding future technologies/legislation			
	Expectations of rising inflation due to carbon taxes			
	Missing the transition to climate-neutral systems and facilities			
Total score		6	5	2

Real estate/construction is by far the most significant industry in the Bank's lending portfolio. It accounts for approximately 42% of the portfolio. Other key industries include consumers (approx. 19%), retail (approx. 6%), the public sector (approx. 5%) and tourism (approx. 4%). The extension of the European emissions allowance scheme to the construction sector therefore affects the Bank's largest customer group, although Austria already has a carbon pricing mechanism in place for fossil fuels used for power generation and heating. Prices for Austrian allowances are rising and are set to be determined through a trading system from 2026 onwards.

The table above summarises the risk inventory and shows the material transition risks identified for each risk category in accordance with section 39 (2b) BWG. The risk inventory shows risks across all three risk factors, with the majority of risks falling under the "changes to the legal framework" factor. The cost of carbon taxes could place a significant financial burden on customers in the long term. Furthermore, real estate prices (at least for energy-inefficient buildings with fossil fuel heating systems) may be significantly affected. In the short term, the current allowance prices, the limited scope of the European Emissions Trading Scheme (ETS) and the planned transitional arrangements for its expansion to include buildings and transport do not appear likely to result in impacts that are material (as defined in the risk inventory). Even the current Austrian allowance prices, which already apply when fossil fuels are brought into circulation and thus apply to buildings and transportation, have only a limited impact on customers or the cost of collateral. In the medium to long term, it is likely that the customers concerned will need to adapt.

Nevertheless, a material financial burden cannot be ruled out if allowance prices rise significantly, particularly in conjunction with the extension of the ETS to the most important sector for Hypo Vorarlberg (construction).
Changes in consumer behaviour and technological developments can have a significant impact on customers and customer groups in the medium and long term. However, it is difficult to assess whether and, if so, which investments in new technologies or changes in consumer behaviour will have a widespread impact on industries. The fate of the European photovoltaic industry or the German automotive industry's substantial investment in e-mobility and software, which is squeezing margins in the short term, serve to highlight some of the potential risks. The automotive manufacturing and supply industry does not account for a significant share of the Bank's overall portfolio, but there are a number of individual exposures. These industries are major players and have a significant impact on the labour market in the Bank's home market of Vorarlberg and throughout Austria.

Changes in consumer behaviour can give rise to reputational risks. The risk of greenwashing can lead to both short-term and structural losses of customer funds, declining revenue, more expensive funding and fines. A lack of credible engagement with the issue or a failure to credibly develop and implement a climate transition plan could lead to significant disadvantages in the long term when compared with other industries.

ENERGY PERFORMANCE CERTIFICATES

Energy performance certificates are obtained for real estate financing and are required in order to estimate the extent to which customers are exposed to risk due to higher energy costs, for example. Customers that have a lower credit rating and occupy a property with poor energy performance are affected by rising energy costs to a greater extent than other customers. Increased energy costs also impact the value of properties with high energy consumption to a greater extent than properties with lower energy consumption. The risk of rising energy costs is currently being mitigated by extensive government subsidy programmes that are lessening the potential impact.

The energy performance certificates include key figures that are each converted into a score from A++ to G. An analysis of loans in the Bank's Private Customers segment comparing the customer rating with the energy performance score showed that the energy performance certificates mostly have a score of B or better. There is only a weak correlation between the customer rating and the energy performance score.

E1-21, AR 13a-d) Discussion of how the climate-related scenario analysis was used to identify and assess physical and transition risks and opportunities

The scenarios and models of the NGFS form the basis for the ESG scenarios. Two scenarios are selected for stress testing, namely the scenarios that are expected to have the greatest impact on physical risks and transition risks respectively. These are the Current Policies scenario (for physical risks) and the Divergent Net Zero (1.5 °C) scenario (for transition risks). The analysis for the scenarios below was performed using the key macroeconomic variables (NIGEM NGFS v1.21 | Austria). No specific portfolio data was used (see also E1 SBM-3.19c). An assessment of risks including periods of more than ten years takes place in the risk inventory (see ESRS 2 BP-2.9a, b). This involves assessing physical risks and transition risks. As scenarios have not yet been explicitly taken into account, a full climate risk analysis in accordance with ESRS is not yet available. The selection of scenarios takes place as part of the development of the climate transition plan.

CURRENT POLICIES

The scenario assumes that only currently implemented political measures are preserved, leading to high physical risks. As a result, global warming will reach 3 °C by 2080 and cause severe physical risks. Among other things, sea levels are expected to rise. This scenario leads to the "hot house world" and can help banks and supervisory authorities to consider long-term risks.

The scenario has a higher GDP level than the Divergent Net Zero (1.5 °C) scenario, but growth rates are low. Overall, the figures are unremarkable. A slump in share prices is expected in the medium term. Inflation is low, as are interest rates. The macroeconomic figures, the scenario description and past experience of occurrences of flooding do not justify a quantitative simulation at the present time.

In the long term, the occurrence of physical risks in a form that would have a sustained negative impact on Hypo Vorarlberg cannot be ruled out. There are no indications of such an impact in the medium term. The assessment is that no significant impacts can arise from physical risks based on the current composition of the portfolio and the current business strategy. To assess the potential risks, Hypo Vorarlberg determines the financed volume in the red zone (flooding risk).

DIVERGENT NET ZERO (1.5 °C)

In this scenario, net zero (balanced CO_2 emissions) is achieved in 2050, but with sector-dependent policy measures and the faster phase-out of fossil fuels. The measures are more dramatic in the transport and construction sectors. The lack of coordination of the measures results in a greater impact for consumers than for industry. With the measures taken, there is a 50% probability that global warming will be limited to 1.5 °C by the end of the century. The scenario involves higher transition risks (compared to Net Zero 2050), but the lowest physical risks.

Minor effects are to be expected in the observation period for stress testing. Overall, the model anticipates relatively low GDP growth and relatively low interest rate rises. There is no critical trend in terms of either unemployment or inflation. House prices are expected to move sideways for long periods of time. Based on the figures and the scenario description, no additional short-term and medium-term effects are expected that would justify a quantitative simulation of the scenario.

In the long term, it should be noted that the scenario is characterised by relatively low GDP growth. Share price performance as an indicator of company values is generally weak. In the medium term, the costs of poorly coordinated policies therefore have a negative impact on economic growth, and hence on prosperity. The impact on the profitability and creditworthiness of companies and demand for credit can be seen in the medium term. Negative impacts on the creditworthiness of companies (depending on the respective industry) cannot be ruled out.

AR 15 Compatibility of the climate-related assumptions in the non-financial statement and the financial statements
The climate scenarios selected in the non-financial statement are compatible with the climate-related assumptions made in the financial statements.

TOPICAL DISCLOSURE REQUIREMENTS: E4 BIODIVERSITY AND ECOSYSTEMS

E4-17a) Identification and assessment of impacts on biodiversity and ecosystems in the value chain, including criteria used
As part of the materiality analysis, the impacts, risks and opportunities in respect of biodiversity and ecosystems were analysed for the company's own business activities and for the downstream value chain. The following sub-topics of the topic-specific standard E4 were taken into account: direct impact drivers of biodiversity loss, impacts on the state of species, impacts on the extent and condition of ecosystems, impacts and dependencies on ecosystem services. The topics defined as material can be found in the impacts, risks and opportunities listed under SBM-3.

OWN BUSINESS ACTIVITIES

In 2025, the Bank's own business activities were again analysed in terms of biodiversity and ecosystems in relation to branch locations and office buildings. As part of the materiality analysis, Hypo Vorarlberg analysed its branch locations and office buildings with regard to potential impacts and dependencies on biodiversity. For the purposes of this evaluation, the specific address data was checked using the following publicly available online tools:

- WWF Risk Filter platform
- Natura 2000 Viewer

As Hypo Vorarlberg's branches are located in the centre of towns and cities, the Bank's operating activities have no negative impact on the state of species in ecosystems (e.g. loss of species, reduction in population size). Details of the results can be found under E4 SBM-3.16aii, iii, b, c.

DOWNSTREAM VALUE CHAIN (NON-CLIMATE NATURE RISK ANALYSIS)

As part of the NCNR analysis, the topic of biodiversity was also subjected to a qualitative assessment in order to analyse Hypo Vorarlberg's portfolios on the basis of "environmental scores". The data for biodiversity-related risks is provided by ENCORE, a publicly available database that helps organisations to find out about their exposure to nature-related risks. ENCORE assesses economic activities in terms of their dependency and impact on various biodiversity categories on a scale from "very low" to "very high". The higher the "environmental score" on this scale, the higher the potential impacts and risks for biodiversity and ecosystems from the respective sector. In addition, sectors that score "very low" on the scale can be seen as potential opportunities. The evaluation of the individual industry sectors delivered an initial indication of potential risks and opportunities in the lending portfolio. In order to derive specific measures in this area, Hypo Vorarlberg conducted an in-depth analysis including geographical data at country level (see E4-3). For an additional description of the assumptions and assessment criteria used in the NCNR analysis, see ESRS 2 BP-2.10-13.

E4-17b) Assessment of the dependencies on biodiversity and ecosystems at locations and in the value chain
In the materiality analysis, biodiversity and ecosystems was found to be a relevant topic with regard to the core business. The lending portfolio, asset management and own-account investments were also subject to a more detailed analysis (NCNR analysis) using the procedure described under ESRS 2 BP-2.10-13. As a result, various industries and the associated opportunities and risks related to biodiversity and ecosystems were identified.

E4-17c), d) Assessment of transition, physical and systematic risks and opportunities related to biodiversity and ecosystems, including criteria applied
Risks related to biodiversity and ecosystems were analysed in 2023 as part of the risk inventory by Group Risk Controlling. As the transmission channels were still unclear, the risk was categorised as low at this time. Accordingly, the Bank's portfolios (including loan and financing portfolios and own-account investments) were subjected to a detailed analysis (NCNR analysis) in 2024 to determine the extent to which impacts and dependencies exist in relation to biodiversity and ecosystems (see NCNR, E4 IRO-1.17a, ESRS 2 BP-2.10-13). The comprehensive analyses of the portfolios with regard to the NCNR analysis is also taken into account (see NCNR, E4 IRO-1.17a, BP-2.10-13). Specific aspects related to transition risks in biodiversity and ecosystems were not taken into account.
Building on the initial analysis carried out in 2024, a more detailed analysis in line with the FMA guidelines was conducted using the ENCORE database in order to assess dependencies on 25 different ecosystem services. The analysis, which focused on the lending portfolio, identified a moderate to high dependence on multiple ecosystem services in the "agriculture and forestry" and "tourism" industries (see E4-1.13). A dependency on the "visual amenity services" industry has been identified for the "real estate and construction" industry; however, the Bank considers this risk to be manageable given the high degree of granularity and diversification of the projects financed (detached houses, apartment blocks, warehouses, hotels, industrial buildings, specialist properties, etc.). For the other industries, only minor dependencies were identified. Systemic risks were not examined, as these are generally beyond the Bank's control.

E4-17(i), (ii), (iii) Identification of locations and raw material sourcing relevant to biodiversity, involvement of affected communities in the materiality assessment and management of negative impacts on relevant ecosystem services
The analysis of branch locations and office buildings revealed no material negative impacts on biodiversity or ecosystems; consequently, no further assessment of the impacts on affected communities was required. However, as part of the materiality analysis, stakeholder surveys and discussions with internal experts were conducted taking into account aspects relating to biodiversity and ecosystems. No relevant negative impacts on ecosystem services were identified in relation to the Bank's own business activities; consequently, no measures to avoid, minimise or offset such impacts were necessary.

E4-19a-b) Locations in biodiversity-sensitive areas and their potentially negative impacts and any necessary biodiversity mitigation measures identified

No material negative impact is assumed based on the location analysis of all branches and office buildings. The analyses were conducted using the Biodiversity Risk Filter and the Natura 2000 database. Hypo Vorarlberg does not engage in any activities that have a negative impact on these areas and has therefore not identified any necessary mitigation measures.

TOPICAL DISCLOSURE REQUIREMENTS: G1 BUSINESS CONDUCT

G1-6) Relevant criteria (e.g. location, activity, sector, transaction structure) used in the process to identify material impacts, risks and opportunities

The basis for conducting the materiality analysis is the joint determination of the status quo. All of the necessary information must be collected in order to gain a comprehensive understanding of Hypo Vorarlberg's business model, value chain, business relationships and internal processes.

To identify the IROs, Hypo Vorarlberg's business activities and its value chain were analysed and potential impacts, risks and opportunities relating to environmental, social and governance issues were formulated. The list of topics in ESRS 1 AR16 serves as the basis. Where it was deemed appropriate to do so, the sub-sub-topics were also used for a detailed breakdown. Working with external experts, actual and potential negative and positive impacts as well as risks and opportunities from the company's own operations or from the upstream and downstream value chain were identified for each topic. A clear distinction was made depending on whether the IROs originate internally or from transactions entered into by Hypo Vorarlberg. Operational activities primarily include the operation of branches and office buildings, which has an impact on the environment due to heating, mobility and the procurement of IT equipment, for example.

As a lender, Hypo Vorarlberg also decides which companies and projects to finance. Furthermore, Hypo Vorarlberg has an influence on sustainability aspects through the investment products and services it offers to customers. When identifying risks and opportunities, the financial impacts of environmental, social and governance issues were considered and Hypo Vorarlberg's dependencies on natural and/or social resources, which could have a negative impact on the company's financial position, financial performance, cash flows, access to funds or cost of capital over time, were taken into account. An additional breakdown of the risks and opportunities into market, reputational, operational, strategic or regulatory risks or opportunities was introduced. Finally, the final list was discussed with the ESG team and evaluated for completeness.

DISCLOSURE REQUIREMENT IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S NON-FINANCIAL STATEMENT

56) Relevant criteria (e.g. location, activity, sector, transaction structure) in the process for determining material impacts, risks and opportunities

The following is a list of disclosure requirements prepared on the basis of Hypo Vorarlberg's materiality analysis:

Data point	Disclosure requirement	Page
ESRS 2 General disclosures		
Basis for preparation		
BP-1	General basis for preparation of the non-financial statement	37
BP-2	Disclosures in relation to specific circumstances	38
Governance		
GOV-1	The role of the administrative, management and supervisory bodies	42
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	45
GOV-3	Integration of sustainability-related performance in incentive schemes	46
GOV-4	Statement on due diligence	46
GOV-5	Risk management and internal controls over the non-financial statement	47
Strategy		
SBM-1	Strategy, business model and value chain	47
SBM-2	Interests and views of stakeholders	51
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	52
Impact, risk and opportunity management		
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	59
IRO-2	Disclosure requirements in ESRS covered by the undertaking's non-financial statement	67
ESRS E1 Climate change		
Strategy		
E1-1	Transition plan for climate change mitigation	94
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	95
Impact, risk and opportunity management		
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	61
E1-2	Policies related to climate change mitigation and adaptation	98
E1-3	Actions and resources in relation to climate strategies	104
Metrics and targets		
E1-4	Targets relating to climate change mitigation and adaptation	109
E1-5	Energy consumption and mix	112
E1-6	Gross Scopes 1, 2 and 3 and total GHG emissions	113
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	119
E1-8	Internal carbon pricing	119
E1-9	Anticipated financial effects from material physical risks and transition risks and potential climate-related opportunities	Phase-in
ESRS E4 Biodiversity and ecosystems		
Strategy		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	120
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	121
Impact, risk and opportunity management		
ESRS 2 IRO-1	Processes to identify and assess the material biodiversity and ecosystem-related impacts, risks and opportunities	65
E4-2	Policies related to biodiversity and ecosystems	121
E4-3	Actions and resources related to biodiversity and ecosystems	123

Data point	Disclosure requirement	Page
ESRS E4 Biodiversity and ecosystems		
Metrics and targets		
E4-4	Targets related to biodiversity and ecosystems	126
E4-5	Impact metrics related to biodiversity and ecosystems change	126
E4-6	Anticipated financial effects from resource use and circular economy-related risks and opportunities	Phase-in
ESRS S1 Own workforce		
Strategy		
ESRS 2 SBM-2	Interests and views of stakeholders	51
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	127
Impact, risk and opportunity management		
S1-1	Policies related to own workforce	128
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	131
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	132
S1-4	Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	133
Metrics and targets		
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	135
S1-6	Characteristics of the undertaking's employees	136
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Phase-in
S1-8	Collective bargaining coverage and social dialogue	138
S1-9	Diversity metrics	138
S1-10	Adequate wages	138
S1-11	Social protection	Phase-in
S1-12	Persons with disabilities	Phase-in
S1-13	Training and skills development metrics	Phase-in
S1-14	Health and safety metrics	139
S1-16	Compensation metrics (pay gap and total compensation)	139
S1-17	Incidents, complaints and severe human rights impacts	140
ESRS S4 Consumers and end-users		
Strategy		
ESRS 2 SBM-2	Interests and views of stakeholders	141
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	141
Impact, risk and opportunity management		
S4-1	Policies related to consumers and end-users	142
S4-2	Processes for engaging with consumers and end-users about impacts	147
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	147
S4-4	Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	149
Metrics and targets		
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	152

Data point	Disclosure requirement	Page
ESRS G1 Business conduct		
Governance		
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	42
Impact, risk and opportunity management		
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	66
G1-1	Policies for business conduct and corporate culture	153
G1-2	Supplier relationship management	156
G1-3	Prevention and detection of corruption and bribery	157
Metrics and targets		
G1-4	Confirmed incidents of corruption or bribery	158
G1-6	Payment practices	159

The following is a list of data points referring to other EU legislation:

Disclosure requirement and related data points	Reference to other EU legislation	Page	Materiality
ESRS 2 General disclosures			
ESRS 2 GOV-1 (ESRS 2.21 (d)) Board gender diversity	SFDR: Indicator no. 13 in Annex I Table 1 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	43	Material
ESRS 2 GOV-1 (ESRS 2.21 (e)) Percentage of board members who are independent	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	43	Material
ESRS 2 GOV-4 (ESRS 2.30) Statement on due diligence	SFDR: Indicator no. 10 in Annex I Table 3	46	Material
ESRS 2 SBM-1 (ESRS 2.40 (d) (i)) Involvement in activities related to fossil fuels	SFDR: Indicator no. 4 in Annex I Table 1 Pillar 3: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (ii)) Involvement in activities related to chemical production	SFDR: Indicator no. 9 in Annex I Table 2 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (ii)) Involvement in activities related to controversial weapons	SFDR: Indicator no. 14 in Annex I Table 1 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (iv)) Involvement in activities related to cultivation and production of tobacco	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Not material
ESRS E1 Climate change			
ESRS E1-1 (ESRS E1.14) Transition plan to reach climate neutrality by 2050	EU Climate Law: Regulation (EU) 2021/1119, Article 2 (1)	Not specified	Material
ESRS E1-1 (ESRS E1.16 (g)) Undertakings excluded from Paris-aligned Benchmarks	Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) (d) to (g) and Article 12 (2)	Not specified	Material
ESRS E1-4 (ESRS E1.34) GHG emission reduction targets	SFDR: Indicator no. 4 in Annex I Table 2 Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6	110	Material
ESRS E1-5 (ESRS E1.38) Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR: Indicator no. 5 in Annex I Table 1, Indicator no. 5 in Annex I Table 2	Not specified	Not material
ESRS E1-5 (ESRS E1.37) Energy consumption and mix	SFDR: Indicator no. 5 in Annex I Table 1	112	Material
ESRS E1-5 (ESRS E1.40, 43) Energy intensity associated with activities in high climate impact sectors	SFDR: Indicator no. 6 in Annex I Table 1	Not specified	Not material
ESRS E1-6 (ESRS E1.44) Gross Scopes 1, 2 and 3 and total GHG emissions	SFDR: Indicators no. 1 and 2 in Annex I Table 1 Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6 and Article 8 (1)	113, 114	Material

ESRS E1 Climate change			
ESRS E1-6 (ESRS E1.53-55) Gross GHG emissions intensity	SFDR: Indicator no. 3 in Annex I Table 1 Pillar 3: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 8 (1)	118	Material
ESRS E1-7 (ESRS E1.56) GHG removals and carbon credits	EU Climate Law: Regulation (EU) 2021/1119, Article 2 (1)	119	Material
ESRS E1-9 (ESRS E1.66) Exposure of the benchmark portfo-lio to climate-related physical risks	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Material (phase-in)
ESRS E1-9 (ESRS E1.66 (a)) Disaggregation of monetary amounts by acute and chronic physical risk ESRS E1-9 (ESRS E1.66 (c)) Location of significant assets at material physical risk	Pillar 3: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.	Not specified	Material (phase-in)
ESRS E1-9 (ESRS E1.67 (c)) Disaggregation of the carrying amount of its real estate assets by energy efficiency class	Pillar 3: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	Not specified	Material (phase-in)
ESRS E1-9 (ESRS E1.69) Degree of exposure of the portfo-lio to climate-related opportunities	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1818, Annex II	Not specified	Material (phase-in)
ESRS E2 Pollution			
ESRS E2-4 (ESRS E2.28) Amount of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	SFDR: Indicator no. 8 in Annex I Table 1, Indicator no. 2 in Annex I Ta-ble 2, Indicator no. 1 in Annex I Table 2, Indicator no. 3 in Annex I Table 2	Not specified	Not material
ESRS E3 Water and Marine Resources			
ESRS E3-1 (ESRS E3.9) Water and marine resources	SFDR: Indicator no. 7 in Annex I Table 2	Not specified	Not material
ESRS E3-1 (ESRS E3.13) Dedicated policy	SFDR: Indicator no. 8 in Annex I Table 2	Not specified	Not material
ESRS E3-1 (ESRS E3.14) Sustainable oceans and seas	SFDR: Indicator no. 12 in Annex I Table 2	Not specified	Not material
ESRS E3-4 (ESRS E3.28 (c)) Total water recycled and reused	SFDR: Indicator no. 6.2 in Annex I Table 2	Not specified	Not material
ESRS E3-4 (ESRS E3.29) Total water consumption in m^3 per net revenue on own operations	SFDR: Indicator no. 6.1 in Annex I Table 2	Not specified	Not material
ESRS E4 Biodiversity and ecosystems			
ESRS 2 SBM-3 (E4.16 (a) (i))	SFDR: Indicator no. 7 in Annex I Table 1	120, 121	Material
ESRS 2 SBM-3 (E4.16 (b) (i))	SFDR: Indicator no. 10 in Annex I Table 2	120, 121	Material
ESRS 2 SBM-3 (E4.16 (c))	SFDR: Indicator no. 14 in Annex I Table 2	120, 121	Material
ESRS E4-2 (ESRS E4.24 (b)) Sustainable land/agriculture prac-tices or policies	SFDR: Indicator no. 11 in Annex I Table 2	123	Material
ESRS E4-2 (ESRS E4.24 (c)) Sustainable oceans/seas practices or policies	SFDR: Indicator no. 12 in Annex I Table 2	123	Material
ESRS E4-2 (ESRS E4.24 (d)) Policies to address deforestation	SFDR: Indicator no. 15 in Annex I Table 2	123	Material

ESRS E5 Resource use and circular economy			
ESRS E5-5 (ESRS E5.37 (d)) Non-recycled waste	SFDR: Indicator no. 13 in Annex I Table 2	Not specified	Not material
ESRS E5-5 (ESRS E5.39) Hazardous waste and radioactive waste	SFDR: Indicator no. 9 in Annex I Table 1	Not specified	Not material
ESRS S1 Own workforce			
ESRS 2 SBM3 – S1.14 (f) Risk of incidents of forced labour	SFDR: Indicator no. 13 in Annex I Table 3	Not specified	Not material
ESRS 2 SBM3 – S1.14 (g) Risk of incidents of child labour	SFDR: Indicator no. 12 in Annex I Table 3	Not specified	Not material
ESRS S1-1 (ESRS S1.20) Human rights policy commitments	SFDR: Indicator no. 9 in Annex I Table 3, Indicator no. 11 in Annex I Table 1	131	Material
ESRS S1-1 (ESRS S1.21) Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	131	Material
ESRS S1-1 (ESRS S1.22) Processes and measures for preventing trafficking in human beings	SFDR: Indicator no. 11 in Annex I Table 3	Not specified	Not material
ESRS S1-1 (ESRS S1.23) Workplace accident prevention policy or management system	SFDR: Indicator no. 1 in Annex I Table 3	131	Material
ESRS S1-3 (ESRS S1.32 (c)) Complaints handling mechanisms	SFDR: Indicator no. 5 in Annex I Table 3	133	Material
ESRS S1-14 (ESRS S1.88 (b), (c)) Number of fatalities and number and rate of work-related accidents	SFDR: Indicator no. 2 in Annex I Table 3 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	139	Material
ESRS S1-14 (ESRS S1.88 (e)) Number of days lost to injuries, accidents, fatalities or illness	SFDR: Indicator no. 3 in Annex I Table 3	Not specified	Material (phase-in)
ESRS S1-16 (ESRS S1.97 (a)) Unadjusted gender pay gap	SFDR: Indicator no. 12 in Annex I Table 1 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	139	Material
ESRS S1-16 (ESRS S1.97 (b)) Excessive CEO pay ratio	SFDR: Indicator no. 8 in Annex I Table 3	139	Material
ESRS S1-17 (ESRS S1.103 (a)) Incidents of discrimination	SFDR: Indicator no. 7 in Annex I Table 3	140	Material
ESRS S1-17 (ESRS S1.104 (a)) Non-compliance with United Nations Guiding Principles on Business and Human Rights and OECD guidelines	SFDR: Indicator no. 10 in Annex I Table 1, Indicator no. 14 in Annex I Table 3 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)	140	Material
ESRS S2 Workers in the Value Chain			
ESRS 2 SBM3 – S2.11 (b) Material risk of child labour or forced labour in the value chain	SFDR: Indicators no. 12 and 13 in Annex I Table 3	Not specified	Not material
ESRS S2-1 (ESRS S2.17) Human rights policy commitments	SFDR: Indicator no. 9 in Annex I Table 3, Indicator no. 11 in Annex I Table 1	Not specified	Not material
ESRS S2-1 (ESRS S2.18) Policies related to value chain workers	SFDR: Indicators no. 11 and 4 in Annex I Table 3	Not specified	Not material
ESRS S2-1 (ESRS S2.19) Non-compliance with United Nations Guiding Principles on Business and Human Rights and OECD guidelines	SFDR: Indicator no. 10 in Annex I Table 1 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)	Not specified	Not material
ESRS S2-1 (ESRS S2.19) Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	Not specified	Not material

ESRS S2 Workers in the Value Chain			
ESRS S2-4 (ESRS S2.36) Human rights issues and incidents connected to the upstream and downstream value chain	SFDR: Indicator no. 14 in Annex I Table 3	Not specified	Not material
ESRS S3 Affected communities			
ESRS S3-1 (ESRS S3.16) Human rights policy commitments	SFDR: Indicator no. 9 in Annex I Table 3, Indicator no. 11 in Annex I Table 1	Not specified	Not material
ESRS S3-1 (ESRS S3.17) Non-compliance with United Nations Guiding Principles on Business and Human Rights, ILO principles or OECD guidelines	SFDR: Indicator no. 10 in Annex I Table 1 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)	Not specified	Not material
ESRS S3-4 (ESRS S3.36) Human rights issues and incidents	SFDR: Indicator no. 14 in Annex I Table 3	Not specified	Not material
ESRS S4 Consumers and end-users			
ESRS S4-1 (ESRS S4.16) Policies related to consumers and end-users	SFDR: Indicator no. 9 in Annex I Table 3, Indicator no. 11 in Annex I Table 1	146, 147	Material
ESRS S4-1 (ESRS S4.17) Non-compliance with United Nations Guiding Principles on Business and Human Rights and OECD guidelines	SFDR: Indicator no. 10 in Annex I Table 1 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)	147	Material
ESRS S4-4 (ESRS S4.35) Human rights issues and incidents	SFDR: Indicator no. 14 in Annex I Table 3	152	Material
ESRS G1 Business conduct			
ESRS G1-1 (ESRS G1.10 (b)) United Nations Convention against Corruption	SFDR: Indicator no. 15 in Annex I Table 3	Not specified	Material
ESRS G1-1 (ESRS G1.10 (d)) Protection of whistleblowers	SFDR: Indicator no. 6 in Annex I Table 3	155	Material
ESRS G1-4 (ESRS G1.24 (a)) Fines for violation of anti-corruption and anti-bribery laws	SFDR: Indicator no. 17 in Annex I Table 3 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, Annex II	158	Material
ESRS G1-4 (ESRS G1.24 (b)) Standards of anti-corruption and anti-bribery	SFDR: Indicator no. 16 in Annex I Table 3	158	Material

INFORMATION ON NADIVEG CONFORMITY

Since the 2017 financial year, the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) has extended the reporting obligation for non-financial information (environmental, social and employee matters, human rights, corruption, diversity) in the management report. The following table provides an overview of where the NaDiVeG requirements can be found in the report.

NaDiVeG requirement	Reference to non-financial statement (section)
1 Brief description of the undertaking's business model	ESRS 2 General disclosures: SBM-1, SBM-3
2/3/4/6 Description of the policies pursued by the undertaking (2), the outcomes of those policies (3) and due diligence processes applied (4)	ESRS 2 General disclosures: GOV-4
Environmental performance indicators (6)	Information pursuant to the Taxonomy Regulation; E1-E4 Environmental information
Social and employee matters (incl. diversity) (6)	S1 Own workforce
Respect for human rights (6)	ESRS 2 General information, S1 Own workforce, S4 Consumers and end-users, G1 Business conduct
Combating corruption and bribery (6)	G1 Business conduct
5 Material risks that are likely to have a negative impact on these matters and the Group's management of these risks, namely a) from its own business activities b) from its business relationships, products or services (if relevant)	ESRS 2 General disclosures: SBM-3

59) Discussion of how material information on impacts, risks and opportunities was determined, including the use of thresholds and/or ESRS 1 section 3.2 criteria

The process for determining materiality and the definition and use of thresholds are described in detail under ESRS 2 IRO-1.53a-h.

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

The EU taxonomy lies at the heart of the European Union's action plan for financing sustainable growth and is a major instrument for achieving climate neutrality in Europe by 2050. It creates a standardised classification system for environmentally sustainable economic activities and thus a common understanding of sustainability in the EU. The aim is to create greater transparency in the market and drive forward the redirection of capital flows towards sustainable investments.

An economic activity is considered taxonomy-aligned if it makes a substantial contribution (SC) to one of the six environmental objectives and does not significantly harm any of the other objectives ("Do No Significant Harm", DNSH).
The six environmental objectives are:
- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Taxonomy-aligned economic activities of companies must also be carried out in compliance with the Minimum Safeguards, which provide a minimum level of protection in the area of fundamental employment and human rights standards.
The most important performance indicator to be disclosed for credit institutions is the green asset ratio (GAR), which expresses the ratio of taxonomy-aligned assets to the total assets covered. For taxonomy alignment, it must be examined whether the underlying economic activity fulfils the technical screening criteria defined in the EU taxonomy.

Legal basis
Regulation (EU) 2020/852 (hereinafter referred to as the Taxonomy Regulation) contains, among other things, material definitions of terms and obligations for reporting companies. Of particular importance is Article 8 of the Taxonomy Regulation, which sets out the reporting obligations for financial and non-financial corporations. Delegated Regulation (Del. Reg.) (EU) 2021/2178 specifies the content and presentation of the information to be published.
On 13 June 2023, the European Commission presented Del. Reg. (EU) 2023/2485 and Del. Reg. (EU) 2023/2486 supplementing the Taxonomy Regulation. Among other things, these included amendments and expansions of the existing economic activities, definitions of the technical screening criteria for the four non-climate-related environmental objectives and adjustments to the templates to be used.
The third Commission Notice (C/2024/6691) of 8 November 2024 addresses questions on the application and interpretation of certain legal provisions regarding taxonomy reporting by financial corporations. The purpose of the Commission Notices is to clarify the applicable legal provisions. They do not extend the rights and obligations of the companies concerned under these legal provisions, but rather are merely intended to support them in implementing the applicable legal provisions.

On 26 February 2025, the Commission presented an Omnibus proposal aimed at reducing the administrative burden on companies subject to reporting obligations and simplifying the reporting obligations. Delegated Regulation (EU) 2026/73, which amends Delegated Regulation (EU) 2021/2178, has significantly revised the disclosure requirements for financial corporations under Article 8 of the Taxonomy Regulation. The objective of the amendments is to simplify and harmonise reporting requirements, particularly with regard to activities in the natural gas and nuclear energy sectors (see recital 13). The templates for gas and nuclear energy previously included in Annex XII have been deleted; the relevant KPIs are now incorporated into GAR Template 2. Furthermore, Del. Reg. (EU) 2026/73 has amended the bases of calculation for the green asset ratio (GAR) for financial corporations. In accordance with Article 1 (6), Article 7 of Del. Reg. (EU) 2021/2178 has been amended so that certain items, such as derivatives, cash and cash equivalents, on-demand interbank loans, goodwill and commodities, will in future also be excluded from the denominator of the GAR. Similarly, exposures to entities that are not subject to the sustainability reporting obligations under Articles 19a or 29a of Directive 2013/34/EU are now also to be excluded from the denominator as a matter of principle. At the same time, the numerator may only include those exposures of entities not subject to reporting obligations for which the intended use of proceeds is known or which disclose their taxonomy KPIs voluntarily. Household loans whose use of proceeds is not known and local authorities are also excluded from the calculation of the GAR. These adjustments are intended to ensure consistency between the numerator and denominator and to prevent counterparties that are not subject to reporting obligations from distorting the information value of the GAR. To date, Hypo Vorarlberg has opted not to take voluntarily disclosed KPIs into account. Trading book KPIs and KPIs for fee and commission income have been postponed from 2026 to 2028 for the 2027 financial year.

Implementation and methodology
In accordance with section 1.1.2. of Annex V to Del. Reg. (EU) 2021/2178, the disclosure requirements cover the following accounting categories of financial assets, including loans and advances, debt securities, equity holdings and repossessed collateral:
- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in subsidiaries
- Joint ventures and associates
- Financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss
- Real estate collateral obtained by Hypo Vorarlberg by taking possession in exchange for the cancellation of debt

Excluded from disclosure are:
- Exposures to sovereigns, central banks and supranational issuers (excluding multilateral development banks)
- Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU
- Short-term interbank loans
- Financial assets held for trading
- Derivatives

The counterparties to be included in the disclosure are limited to households, public authorities, financial corporations and non-financial corporations that are themselves subject to non-financial reporting obligations.
To determine the counterparties subject to reporting obligations, both internal and publicly available information relating to the following criteria was used:

- The undertaking belongs to the banking/insurance industry or issues tradable securities on a regulated market in the EU ("public interest entity" criterion) and
- the company employs more than 500 people based on an annual average ("number of employees" criterion)

Taxonomy check for general transactions (use of proceeds unknown)
For Hypo Vorarlberg as a credit institution, the determination of the most important key figures to be disclosed is generally based on information from the counterparty, as it is the financed economic activities that are checked rather than activities in the Bank's own operations. In the case of lending where the intended use is not known, the key performance indicators (KPIs) reported by the counterparty are used to determine taxonomy alignment.
There are still differences between the reporting companies when it comes to the methods used and the articles of disclosure. For example, not all companies disclose their KPIs using the mandatory templates, which enable a breakdown based on the contribution to each environmental objective. The ratios for companies that did not disclose a breakdown by environmental objective were allocated to the first environmental objective, climate change mitigation. In cases where no breakdown was performed according to revenue-based and capital expenditure (CapEx)-based ratios, the KPIs were included equally in the revenue-based and CapEx-based disclosures. KPIs of counterparties that were not publicly available or were incorrect and that could not be collected either from the previous years or bilaterally were entered as "0" pursuant to question 5 of the third Commission Notice.

Taxonomy check of transactions whose intended use is known
If the intended use is known, the way in which the financed project finances a taxonomy-aligned economic activity is examined. The assessment of whether this requirement is met is generally based on the information provided by the counterparty about the project or activities for which the proceeds are used.
In order to determine the taxonomy alignment of private customer financing, the Bank checked whether the financed economic activities fulfil the technical screening criteria set out in sections 6.5, 7.1, 7.2, 7.3, 7.4, 7.5, 7.6 or 7.7 of Annex I and Annex II to Commission Del. Reg. (EU) 2021/2139 or sections 3.1 and 3.2 of Annex II to Del. Reg. (EU) 2023/2486.
According to Article 18 of the Taxonomy Regulation, compliance with the social minimum safeguards must be checked "by an undertaking that is carrying out an economic activity". Although Question 37 of the third Commission Notice excludes private customers and public authorities from compliance with the minimum safeguards, it suggests that the companies from which these products or services are purchased should be checked instead. However, there is no corresponding legal basis for this extended application. Del. Reg. (EU) 2021/2178 also refers solely to the technical screening criteria in the case of retail exposures. Given these circumstances and the lack of a legal basis, no assessment of the social minimum safeguards was carried out for private customers and public authorities.
The detailed requirements for evidencing compliance with the DNSH criteria for private customers are often still a challenge. According to the third Commission Notice, credit institutions can provide evidence of compliance with the technical screening criteria for transactions with private customers and public authorities by means of evidence obtained directly from the customer or in the form of independent and reliable verifications by third parties. For these counterparties, the climate risk analysis required by Appendix A of Annex I to Del. Reg. (EU) 2021/2139 is performed using ESG software.

Completing the templates
Pursuant to Article 4 of Del. Reg. (EU) 2021/2178, the templates in Annex VI to the regulation should be used by credit institutions to report how and to what extent the undertaking's activities are associated with economic activities that can be classified as environmentally sustainable. The templates are completed in millions of euro (EUR million).

Credit institutions subject to reporting obligations must now disclose their ten largest taxonomy-relevant sectors in Template 2 of Del. Reg. (EU) 2026/73. The relevant sectors are those covered by the EU taxonomy at the four-digit NACE level, with NACE codes to be assigned on the basis of the main activity of the respective counterparty.

Pursuant to the KPIs required by Annex V to Del. Reg. (EU) 2021/2178, a division is made at row level in Template 3 "GAR KPI stock" and Template 4 "GAR KPI flow". For example, the GAR for lending to non-financial corporations is calculated from the proportion of loans and advances to non-financial corporations that finance taxonomy-aligned economic activities compared to the total loans and advances to non-financial corporations.
The proportion of total assets covered is determined by comparing the assets covered with the total assets. This applies accordingly to the proportion of total new assets covered in Template 4.

The gross carrying amounts of the receivables newly entered into during the year prior to the disclosure reference date were used to complete Template 4 "GAR KPI flow" without deducting the amounts of loan repayments or disposals of debt/equity instruments that took place during the year prior to the disclosure reference date. The definition of new business is thus based on the guidelines set out in question 65 of the third Commission Notice. In accordance with Del. Reg. 2026/73 Annex VI, the assets for the calculation of GAR for new business are published in Template 1 for GAR flows as both revenue-based and CapEx-based disclosures.

All assets under management (AuM) are disclosed with regard to their taxonomy alignment both at the reporting date and on the basis of annual new business in Template 5 "KPI off-balance-sheet exposures". As the ESG data provided by the external data provider does not always allow for a breakdown of taxonomy-aligned activities by environmental objective, the overall taxonomy alignment figure may differ from the sum of the individual environmental objectives.

For the first time, this year's disclosure also includes alignment rates for the remaining four non-climate-related environmental objectives. Following the amendment introduced by Delegated Regulation (EU) 2026/73, the disclosure of comparative figures (T-1) in the templates in accordance with Del. Reg. 2021/2178 is no longer mandatory. There is therefore no longer an explicit requirement to present prior-year figures for the 2025 financial year. At the same time, the Regulation does not expressly prohibit the provision of voluntary comparative information.

Disclosure pursuant to Article 8 of the Taxonomy Regulation
(See Template 0. Summary of KPIs to be disclosed by credit institutions under Article 8 of the Taxonomy Regulation)

% coverage of total assets		Revenue-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	3.84%	4.28%
Additional KPI	GAR (flow)	13.63%	15.45%

Results
The scope of consolidation applied corresponds to the regulatory scope of consolidation pursuant to Title II Chapter 2 Section 2 of Regulation (EU) 575/2013.

The proportion of taxonomy-aligned assets in the total assets covered (green asset ratio) was 3.84% (revenue-based) and 4.28% (CapEx-based) as at 31 December 2025, which corresponds to a financial volume of EUR 175.18 million (revenue-based) and EUR 195.40 million (CapEx-based). The taxonomy-aligned assets mainly comprise loans to households collateralised by residential immovable property. They also include taxonomy-aligned exposures to financial and non-financial corporations subject to the Non-Financial Reporting Directive (NFRD), based on the taxonomy-aligned CapEx and revenue KPIs of the counterparties.
At the reporting date, the proportion of taxonomy-eligible assets was 51.69% (revenue-based) and 52.49% (CapEx-based). This includes loans collateralised by residential immovable property, building renovation loans and vehicle loans to households, taxonomy-eligible risk exposures to cities and municipalities as well as financial and non-financial corporations subject to the NFRD. The majority of all risk exposures evaluated for which the intended use was known were allocable to an economic activity from the construction and real estate sector belonging to the first environmental objective, climate change mitigation. A small number of exposures to public authorities corresponded to the activities of environmental objectives three to six or the new activities of the two climate-related environmental objectives.

Due to the regulatory adjustment to the GAR calculation methodology described above, there was a significant increase in the reported ratios in the 2025 financial year, meaning that comparability with previous years is limited. This effect is mainly due to the fact that exposures to companies and institutions not subject to the CSRD have been removed from the denominator of the GAR KPI. Derivatives, short-term interbank loans, cash and cash equivalents, and other assets that are no longer included in the calculation of the GAR also contributed to the significant improvement in the GAR.

	GAR (2024 financial year): new methodology	GAR (2024 financial year): old methodology
Revenue-based	2.02%	0.66%
CapEx-based	2.29%	0.73%

As at the reporting date 31 December 2025, Hypo Vorarlberg did not have any holdings of repossessed real estate collateral.

Disclosures on activities in the nuclear and gas sectors
In 2022, the European Commission included economic activities in the nuclear energy and fossil gas sectors in the EU taxonomy as transitional activities. Separate screening criteria and separate reporting requirements have been defined for these activities. The revenue and CapEx KPIs of the relevant counterparties were used to calculate the KPIs. To ensure data quality, the absolute values for the counterparties were recorded and the ratios were recalculated independently on this basis.

In accordance with Article 1 (20) of Delegated Regulation (EU) 2026/73, Annex XII to Regulation (EU) 2021/2178 has been deleted. Credit institutions are therefore no longer required to use separate templates for activities in the natural gas and nuclear energy sectors. Instead, disclosure in accordance with Annex VI of Del. Reg (EU) 2026/73 is made in Template 2. Financial corporations were previously excluded from the templates relating to activities in the nuclear and gas sectors. This has been amended by Del. Reg. (EU) 2026/73, meaning that information from financial institutions relating to nuclear and gas activities must now be included in Template 2.

Both revenue-based and CapEx-based figures are disclosed. The figures are presented in millions of euros.

Disclosures on the trading book
Hypo Vorarlberg maintains only a small trading book pursuant to the Capital Requirements Regulation (CRR – Regulation (EU) No. 575/2013). As at 31 December 2025, the trading book contained assets amounting to EUR 0.15 million. These comprise an investment fund in liquidation and smaller items (unit size less than 10) relating to MSCI ETFs for settling fractions for fund savers. The assets of the fund in liquidation are credit balances at Hypo Vorarlberg as the custodian of the fund, meaning that these assets are not affected by Regulation (EU) 2020/852. There are no plans to perform trading activities on a larger scale in future.

Sustainability strategy
The EU taxonomy plays an important role in the redirection of capital flows towards sustainable investments. In particular, it contributes to realising the overarching objective of a climate-neutral EU by 2050. Hypo Vorarlberg therefore aligns its activities with the criteria of the EU taxonomy to the greatest possible extent and also takes these into account in the Group-wide “Hypo Effect” sustainability strategy (the “sustainability strategy” for short). The sustainability strategy is updated annually, including a review of the compliance of the measures with the EU taxonomy. The Bank’s stated aim is to reinforce its commitment to the climate targets adopted and to confirm this through corresponding disclosure rates to the greatest possible extent. Investment decisions that take environmental, social and governance issues into account (= positive criteria) are prioritised. Hypo Vorarlberg intends to develop new financial products with sustainability aspects and examine the addition of sustainability aspects to existing products in line with the requirements of the EU taxonomy.

Hypo Vorarlberg offers loan products designed to help customers implement energy-saving measures or make energy-efficient purchases. Customers benefit from preferential terms. The aim is to align the lending criteria with the taxonomy criteria in the form of positive criteria, thereby contributing to a gradual increase in taxonomy-eligible and taxonomy-aligned assets. The topic of the EU taxonomy is also highly relevant when it comes to the utilisation of funds from Hypo Vorarlberg’s green bonds. Hypo Vorarlberg will successively adapt its green asset portfolio to the EU taxonomy criteria over the coming years with the aim of ensuring compliance with the EU taxonomy.

TEMPLATES IN ACCORDANCE WITH ANNEX VI TO REGULATION (EU) 2021/2178. AS AMENDED BY REGULATION (EU) 2026/73

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Disclosure reference date 31.12.2025

		Total exposure to Taxonomy-aligned activities (Mio. EUR)		KPI (1) (%)	KPI (2) (%)	coverage (over total assets) (3) (%)	non assessed exposures (% of covered assets) (4) (%)	non assessed exposures (% of covered assets) (4) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	175.18	195.40	3.84%	4.28%	29.68%	N/A	N/A

		Total exposure to Taxonomy-aligned activities (Mio. EUR)		KPI (1) (%)	KPI (2) (%)	coverage (over total assets) (3) (%)	non assessed exposures (% of covered assets) (4) (%)	non assessed exposures (% of covered assets) (4) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	51.32	58.19	13.63%	15.45%	12.30%	N/A	N/A
	Trading book	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Financial guarantees	0.00	0.00	0.00%	0.00%	0.01%	N/A	N/A
	Assets under management	12.42	19.78	5.96%	9.50%	1.35%	N/A	N/A
	Fees and commissions income(5)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Based on the Turnover KPI of the counterparty.
(2) Based on the CapEx KPI of the counterparty.
(3)% of assets covered by the KPI over banks' total assets.
(4) In accordance with Article 7(8) of this Regulation.
(5) Fee and commission income from services other than lending and AuM.

1. Assets for calculation of GAR (Stock, revenue-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (¹)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (²)
1	GAR - Covered assets in both numerator and denominator	4,565.24	2,359.64	175.18	171.27	0.07	0.00	3.21	0.62	0.00	82.84	1.66	47.19	N/A	N/A	N/A	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	4,565.24	2,359.64	175.18	171.27	0.07	0.00	3.21	0.62	0.00	82.84	1.66	47.19	N/A	N/A	N/A	N/A
3	Financial undertakings	1,995.61	410.34	41.13	39.74	0.07	0.00	1.32	0.00	0.00	0.00	1.62	2.09	N/A	N/A	N/A	N/A
4	Loans and advances	318.23	21.44	0.67	0.67	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.09	N/A	N/A	N/A	N/A
5	Debt securities, including UoP	1,668.15	385.40	40.51	39.00	0.07	0.00	1.32	0.11	0.00	0.00	1.58	2.00	N/A	N/A	N/A	N/A
6	Equity instruments	9.23	3.50	0.07	0.07	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A	N/A	N/A
7	Non-financial undertakings	641.00	152.81	51.21	48.70	0.00	0.00	1.89	0.62	0.00	0.00	0.04	44.86	N/A	N/A		N/A
8	Loans and advances	487.48	108.41	25.06	22.62	0.00	0.00	1.89	0.55	0.00	0.00	0.04	21.00	N/A	N/A		N/A
9	Debt securities, including UoP	153.52	44.40	26.15	26.08	0.00	0.00	0.00	0.07	0.00	0.00	0.00	23.86	N/A	N/A		N/A
10	Equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A		N/A
11	Households	1,683.15	1,668.10	82.84	82.84	0.00		0.00			82.84	0.00	0.24	N/A	N/A		N/A
12	of which loans collateralised by residential immovable property	1,538.71	1,532.72	75.35	75.35	0.00		0.00			75.35	0.00	0.20	N/A	N/A		N/A
13	of which building renovation loans	126.53	125.52	2.32	2.32	0.00		0.00			2.32	0.00	0.14	N/A	N/A		N/A
14	of which motor vehicle loans	1.18	1.18	0.00	0.00						0.00	0.00	0.00	N/A	N/A		N/A
15	Local governments financing	245.48	128.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
16	Housing financing	0.51	0.51	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
17	Other local government financing	244.97	127.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
19	Exposures included on a voluntary basis (3)	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		
20	**Total GAR assets**	**4,565.24**												**N/A**	**N/A**	**N/A**	**N/A**
21	Assets not covered for GAR calculation	10,815.18															
22	Central governments and Supranational issuers	1,022.69															
23	Central banks exposure	239.04															
24	Trading book	0.15															
25	Undertakings and entities not subject to CSRD	7,819.53															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	5,965.38															
27	Loans and advances	5,960.41															
28	of which loans collateralised by commercial immovable property	0.00															
29	of which building renovation loans	43.15															

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activ-ities of counterpar-ties [1]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution [2]
30	Debt securities	0.00															
31	Equity instruments	4.97															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,854.15															
33	Loans and advances	1,389.48															
34	Debt securities	459.17															
35	Equity instruments	5.49															
36	Derivatives	471.69															
37	On demand interbank loans	18.29															
38	Cash and cash-related assets	21.93															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,221.86															
40	Total assets	15,380.41															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A
42	Assets under management	208.26	74.39	12.42	8.39	0.06	0.03	0.52	0.13	0.00	0.00	0.50	5.62	N/A	N/A	N/A	N/A
43	Of which debt securities	128.53	42.00	6.84	3.92	0.05	0.03	0.17	0.06	0.00	0.00	0.25	2.29	N/A	N/A	N/A	N/A
44	Of which equity instruments	79.72	32.39	5.58	4.47	0.01	0.00	0.35	0.06	0.00	0.00	0.24	3.32	N/A	N/A	N/A	N/A

(1) In accordance with Article 7(8)(a) and (b) of this Regulation.
(2) In accordance with Article 4(1a) of this Regulation.
(3) In accordance with Article 7(3) of this Regulation

1. Assets for calculation of GAR (Stock, CapEx-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
1	GAR - Covered assets in both numerator and denominator	4,565.24	2,396.23	195.40	194.59	0.09	0.01	0.16	0.56	0.00	82.84	6.16	66.69	N/A	N/A	N/A	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	4,565.24	2,396.23	195.40	194.59	0.09	0.01	0.16	0.56	0.00	82.84	6.16	66.69	N/A	N/A	N/A	N/A
3	Financial undertakings	1,995.61	413.63	43.67	43.56	0.09	0.01	0.00	0.00	0.00	0.00	1.80	3.84	N/A	N/A	N/A	N/A
4	Loans and advances	318.23	20.89	0.72	0.71	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.15	N/A	N/A	N/A	N/A
5	Debt securities, including UoP	1,668.15	389.25	42.88	42.78	0.08	0.01	0.00	0.00	0.00	0.00	1.77	3.68	N/A	N/A	N/A	N/A
6	Equity instruments	9.23	3.50	0.07	0.07	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A	N/A	N/A
7	Non-financial undertakings	641.00	186.11	68.90	68.19	0.00	0.00	0.16	0.56	0.00	0.00	4.36	62.62	N/A	N/A		N/A
8	Loans and advances	487.48	135.35	37.21	36.53	0.00	0.00	0.16	0.52	0.00	0.00	4.36	31.77	N/A	N/A		N/A
9	Debt securities, including UoP	153.52	50.75	31.69	31.65	0.00	0.00	0.00	0.03	0.00	0.00	0.00	30.85	N/A	N/A		N/A
10	Equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A		N/A
11	Households	1,683.15	1,668.10	82.84	82.84	0.00		0.00			82.84	0.00	0.24	N/A	N/A		N/A
12	of which loans collateralised by residential immovable property	1,538.71	1,532.72	75.35	75.35	0.00		0.00			75.35	0.00	0.20	N/A	N/A		N/A
13	of which building renovation loans	126.53	125.52	2.32	2.32	0.00		0.00			2.32	0.00	0.14	N/A	N/A		N/A
14	of which motor vehicle loans	1.18	1.18	0.00	0.00						0.00	0.00	0.00	N/A	N/A		N/A
15	Local governments financing	245.48	128.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
16	Housing financing	0.51	0.51	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
17	Other local government financing	244.97	127.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
19	Exposures included on a voluntary basis (3)	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		
20	**Total GAR assets**	**4,565.24**												**N/A**	**N/A**	**N/A**	**N/A**
21	Assets not covered for GAR calculation	10,815.18															
22	Central governments and Supranational issuers	1,022.69															
23	Central banks exposure	239.04															
24	Trading book	0.15															
25	Undertakings and entities not subject to CSRD	7,819.53															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	5,965.38															
27	Loans and advances	5,960.41															
28	of which loans collateralised by commercial immovable property	0.00															
29	of which building renovation loans	43.15															

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
30	Debt securities	0.00															
31	Equity instruments	4.97															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,854.15															
33	Loans and advances	1,389.48															
34	Debt securities	459.17															
35	Equity instruments	5.49															
36	Derivatives	471.69															
37	On demand interbank loans	18.29															
38	Cash and cash-related assets	21.93															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,221.86															
40	Total assets	15,380.41															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A
42	Assets under management	208.26	84.56	19.78	14.90	0.04	0.05	0.28	0.15	0.00	0.00	0.85	8.68	N/A	N/A	N/A	N/A
43	Of which debt securities	128.53	48.55	10.64	7.07	0.03	0.05	0.12	0.09	0.00	0.00	0.39	4.13	N/A	N/A	N/A	N/A
44	Of which equity instruments	79.72	36.01	9.14	7.83	0.01	0.00	0.17	0.06	0.00	0.00	0.46	4.55	N/A	N/A	N/A	N/A

(1) In accordance with Article 7(8)(a) and (b) of this Regulation.
(2) In accordance with Article 4(1a) of this Regulation.
(3) In accordance with Article 7(3) of this Regulation.

1. Assets for calculation of GAR (Flow, revenue-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Flow Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (¹)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (²)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	376.67	240.75	51.32	51.04	0.00	0.00	0.28	0.00	0.00	44.48	0.04	6.91	N/A	N/A	N/A	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	376.67	240.75	51.32	51.04	0.00	0.00	0.28	0.00	0.00	44.48	0.04	6.91	N/A	N/A	N/A	N/A
3	Financial undertakings	5.30	0.97	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	N/A	N/A	N/A	N/A
4	Loans and advances	5.30	0.97	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	N/A	N/A	N/A	N/A
5	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A
6	Equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A	N/A	N/A
7	Non-financial undertakings	156.48	41.79	6.83	6.54	0.00	0.00	0.28	0.00	0.00	0.00	0.04	6.75	N/A	N/A		N/A
8	Loans and advances	156.48	41.79	6.83	6.54	0.00	0.00	0.28	0.00	0.00	0.00	0.04	6.75	N/A	N/A		N/A
9	Debt securities, including UoP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
10	Equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A		N/A
11	Households	181.64	178.48	44.48	44.48	0.00		0.00			44.48	0.00	0.15	N/A	N/A		N/A
12	of which loans collateralised by residential immovable property	151.37	148.34	35.19	35.19	0.00		0.00			35.19	0.00	0.15	N/A	N/A		N/A
13	of which building renovation loans	20.63	20.52	1.93	1.93	0.00		0.00			1.93	0.00	0.10	N/A	N/A		N/A
14	of which motor vehicle loans	0.07	0.07	0.00	0.00						0.00	0.00	0.00	N/A	N/A		N/A
15	Local governments financing	33.26	19.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
16	Housing financing	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
17	Other local government financing	33.26	19.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
19	Exposures included on a voluntary basis (3)	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		
20	**Total GAR assets**	**376.67**												**N/A**	**N/A**	**N/A**	**N/A**
21	Assets not covered for GAR calculation	2,686.23															
22	Central governments and Supranational issuers	322.33															
23	Central banks exposure	0.00															
24	Trading book	0.00															
25	Undertakings and entities not subject to CSRD	1,863.60															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	1,614.30															
27	Loans and advances	1,614.30															
28	of which loans collateralised by commercial immovable property	0.00															
29	of which building renovation loans	1.10															

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Flow Mio. EUR		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (¹)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (²)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
30	Debt securities	0.00															
31	Equity instruments	0.00															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	249.30															
33	Loans and advances	249.30															
34	Debt securities	0.00															
35	Equity instruments	0.00															
36	Derivatives	0.00															
37	On demand interbank loans	0.00															
38	Cash and cash-related assets	0.00															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	500.30															
40	Total assets	3,062.90															
Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A
42	Assets under management	124.34	45.44	8.10	5.72	0.04	0.03	0.44	0.11	0.00	0.00	0.29	3.89	N/A	N/A	N/A	N/A
43	Of which debt securities	90.13	30.27	5.12	3.19	0.03	0.03	0.14	0.11	0.00	0.00	0.26	1.69	N/A	N/A	N/A	N/A
44	Of which equity instruments	34.21	15.17	2.98	2.54	0.01	0.00	0.30	0.00	0.00	0.00	0.04	2.19	N/A	N/A	N/A	N/A

(1) In accordance with Article 7(8)(a) and (b) of this Regulation.
(2) In accordance with Article 4(1a) of this Regulation.
(3) In accordance with Article 7(3) of this Regulation.

1. Assets for calculation of GAR (Flow, CapEx-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
1	GAR - Covered assets in both numerator and denominator	4,565.24	2,396.23	195.40	194.59	0.09	0.01	0.16	0.56	0.00	82.84	6.16	66.69	N/A	N/A	N/A	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	4,565.24	2,396.23	195.40	194.59	0.09	0.01	0.16	0.56	0.00	82.84	6.16	66.69	N/A	N/A	N/A	N/A
3	Financial undertakings	1,995.61	413.63	43.67	43.56	0.09	0.01	0.00	0.00	0.00	0.00	1.80	3.84	N/A	N/A	N/A	N/A
4	Loans and advances	318.23	20.89	0.72	0.71	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.15	N/A	N/A	N/A	N/A
5	Debt securities, including UoP	1,668.15	389.25	42.88	42.78	0.08	0.01	0.00	0.00	0.00	0.00	1.77	3.68	N/A	N/A	N/A	N/A
6	Equity instruments	9.23	3.50	0.07	0.07	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A	N/A	N/A
7	Non-financial undertakings	641.00	186.11	68.90	68.19	0.00	0.00	0.16	0.56	0.00	0.00	4.36	62.62	N/A	N/A		N/A
8	Loans and advances	487.48	135.35	37.21	36.53	0.00	0.00	0.16	0.52	0.00	0.00	4.36	31.77	N/A	N/A		N/A
9	Debt securities, including UoP	153.52	50.75	31.69	31.65	0.00	0.00	0.00	0.03	0.00	0.00	0.00	30.85	N/A	N/A		N/A
10	Equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	N/A	N/A		N/A
11	Households	1,683.15	1,668.10	82.84	82.84	0.00		0.00			82.84	0.00	0.24	N/A	N/A		N/A
12	of which loans collateralised by residential immovable property	1,538.71	1,532.72	75.35	75.35	0.00		0.00			75.35	0.00	0.20	N/A	N/A		N/A
13	of which building renovation loans	126.53	125.52	2.32	2.32	0.00		0.00			2.32	0.00	0.14	N/A	N/A		N/A
14	of which motor vehicle loans	1.18	1.18	0.00	0.00						0.00	0.00	0.00	N/A	N/A		N/A
15	Local governments financing	245.48	128.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
16	Housing financing	0.51	0.51	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
17	Other local government financing	244.97	127.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A		N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		N/A
19	Exposures included on a voluntary basis (3)	0.00	0.00	0.00	0.00	0.00		0.00			0.00	0.00	0.00	N/A	N/A		
20	**Total GAR assets**	**4,565.24**												**N/A**	**N/A**	**N/A**	**N/A**
21	Assets not covered for GAR calculation	10,815.18															
22	Central governments and Supranational issuers	1,022.69															
23	Central banks exposure	239.04															
24	Trading book	0.15															
25	Undertakings and entities not subject to CSRD	7,819.53															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	5,965.38															
27	Loans and advances	5,960.41															
28	of which loans collateralised by commercial immovable property	0.00															
29	of which building renovation loans	43.15															

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
					Breakdown per environmental objective												
	Stock Mio. EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activ-ities of counterpar-ties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
30	Debt securities	0.00															
31	Equity instruments	4.97															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,854.15															
33	Loans and advances	1,389.48															
34	Debt securities	459.17															
35	Equity instruments	5.49															
36	Derivatives	471.69															
37	On demand interbank loans	18.29															
38	Cash and cash-related assets	21.93															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,221.86															
40	Total assets	15,380.41															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A
42	Assets under management	208.26	84.56	19.78	14.90	0.04	0.05	0.28	0.15	0.00	0.00	0.85	8.68	N/A	N/A	N/A	N/A
43	Of which debt securities	128.53	48.55	10.64	7.07	0.03	0.05	0.12	0.09	0.00	0.00	0.39	4.13	N/A	N/A	N/A	N/A
44	Of which equity instruments	79.72	36.01	9.14	7.83	0.01	0.00	0.17	0.06	0.00	0.00	0.46	4.55	N/A	N/A	N/A	N/A

(1) In accordance with Article 7(8)(a) and (b) of this Regulation.
(2) In accordance with Article 4(1a) of this Regulation.
(3) In accordance with Article 7(3) of this Regulation.

2. GAR sector information (revenue-based)

Disclosure reference date 31.12.2025

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) Mio. EUR	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	6419 Other monetary intermediation	1,575.49	364.87	36.99	36.92	0.07	0.00	0.00	0.00	0.00
2	7010 Activities of head offices	334.22	38.91	6.50	4.39	0.00	0.00	1.56	0.55	0.00
3	6499 Other financial service activities, except insurance and pension funding n.e.c.	216.42	15.79	3.80	2.12	0.00	0.25	1.32	0.11	0.00
4	6492 Other credit granting	90.67	6.54	0.44	0.44	0.00	0.00	0.00	0.00	0.00
5	6432 Activities of trust. estate and agency accounts	41.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	4910 Passenger rail transport	27.64	21.72	14.99	14.99	0.00	0.00	0.00	0.00	0.00
7	6420 Activities of holding companies and financing conduits	26.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	6820 Rental and operating of own or leased real estate	22.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	5221 Service activities incidental to land transportation	21.44	16.40	13.62	13.62	0.00	0.00	0.00	0.00	0.00
10	8610 Hospital activities	20.97	2.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Nuclear activities(1)	1,020.25	0.36	0.32						
12	Fossil gas activities(2)	1,129.79	0.41	0.01						
13	Of which non-assessed exposures(3)	N/A								

(1) Referred to in Sections 4.26. 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
(2) Referred to in Sections 4.29. 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
(3) In accordance with Article 7(8) of this Regulation.

2. GAR sector information (CapEx-based)

Disclosure reference date 31.12.2025

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) Mio. EUR	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	6419 Other monetary intermediation	1,575.49	388.70	39.71	39.61	0.08	0.01	0.00	0.00	0.00
2	7010 Activities of head offices	334.22	47.68	11.88	11.36	0.00	0.00	0.00	0.52	0.00
3	6499 Other financial service activities, except insurance and pension funding n.e.c.	216.42	14.92	3.15	3.15	0.00	0.00	0.00	0.00	0.00
4	6492 Other credit granting	90.67	6.65	0.54	0.53	0.00	0.00	0.00	0.00	0.00
5	6432 Activities of trust. estate and agency accounts	41.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	4910 Passenger rail transport	27.64	25.75	17.57	17.57	0.00	0.00	0.00	0.00	0.00
7	6420 Activities of holding companies and financing conduits	26.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	6820 Rental and operating of own or leased real estate	22.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	5221 Service activities incidental to land transportation	21.44	19.79	16.30	16.30	0.00	0.00	0.00	0.00	0.00
10	8610 Hospital activities	20.97	5.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Nuclear activities(1)	952.84	0.31	0.31						
12	Fossil gas activities(2)	1,026.28	0.29	0.01						
13	Of which non-assessed exposures(3)	N/A								

(1) Referred to in Sections 4.26. 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
(2) Referred to in Sections 4.29. 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
(3) In accordance with Article 7(8) of this Regulation.

3. GAR-KPI Stock (revenue-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	51.69%	3.84%	3.75%	0.00%	0.00%	0.07%	0.01%	0.00%	1.81%	0.04%	1.03%	7.42%	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	51.69%	3.84%	3.75%	0.00%	0.00%	0.07%	0.01%	0.00%	1.81%	0.04%	1.03%	7.42%	N/A
3	Financial undertakings	20.56%	2.06%	1.99%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.08%	0.10%	10.02%	N/A
4	Loans and advances	6.74%	0.21%	0.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.03%	3.11%	N/A
5	Debt securities, including UoP	23.10%	2.43%	2.34%	0.00%	0.00%	0.08%	0.01%	0.00%	0.00%	0.09%	0.12%	10.51%	N/A
6	Equity instruments	37.94%	0.73%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.01%	1.92%	N/A
7	Non-financial undertakings	23.84%	7.99%	7.60%	0.00%	0.00%	0.29%	0.10%	0.00%	0.00%	0.01%	7.00%	33.51%	N/A
8	Loans and advances	22.24%	5.14%	4.64%	0.00%	0.00%	0.39%	0.11%	0.00%	0.00%	0.01%	4.31%	23.12%	N/A
9	Debt securities, including UoP	28.92%	17.03%	16.99%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	15.54%	58.89%	N/A
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
11	Households	99.11%	4.92%	4.92%	0.00%		0.00%			4.92%	0.00%	0.01%	4.97%	N/A
12	of which loans collateralised by residential immovable property	99.61%	4.90%	4.90%	0.00%		0.00%			4.90%	0.00%	0.01%	4.92%	N/A
13	of which building renovation loans	99.20%	1.83%	1.83%	0.00%		0.00%			1.83%	0.00%	0.11%	1.85%	N/A
14	of which motor vehicle loans	100.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	N/A
15	Local governments financing	52.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
16	Housing financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
17	Other local government financing	52.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
19	Exposures included on a voluntary basis (2)	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	**GAR - Total GAR assets**	**51.69%**	**3.84%**	**3.75%**	**0.00%**	**0.00%**	**0.07%**	**0.01%**	**0.00%**	**1.81%**	**0.04%**	**1.03%**	**7.42%**	**N/A**

(1) In accordance with Article 7(8) of this Regulation.
(2) In accordance with Article 7(3) of this Regulation

3. GAR-KPI Stock (CapEx-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective									Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling		
1	GAR - Covered assets in both numerator and denominator	52.49%	4.28%	4.26%	0.00%	0.00%	0.00%	0.01%	0.00%	1.81%	0.13%	1.46%	8.15%	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	52.49%	4.28%	4.26%	0.00%	0.00%	0.00%	0.01%	0.00%	1.81%	0.13%	1.46%	8.15%	N/A
3	Financial undertakings	20.73%	2.19%	2.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.19%	10.56%	N/A
4	Loans and advances	6.56%	0.23%	0.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.05%	3.44%	N/A
5	Debt securities, including UoP	23.33%	2.57%	2.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.11%	0.22%	11.02%	N/A
6	Equity instruments	37.93%	0.73%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.01%	1.94%	N/A
7	Non-financial undertakings	29.03%	10.75%	10.64%	0.00%	0.00%	0.02%	0.09%	0.00%	0.00%	0.68%	9.77%	37.02%	N/A
8	Loans and advances	27.77%	7.63%	7.49%	0.00%	0.00%	0.03%	0.11%	0.00%	0.00%	0.89%	6.52%	27.49%	N/A
9	Debt securities, including UoP	33.06%	20.64%	20.62%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	20.10%	62.44%	N/A
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
11	Households	99.11%	4.92%	4.92%	0.00%		0.00%			4.92%	0.00%	0.01%	4.97%	N/A
12	of which loans collateralised by residential immovable property	99.61%	4.90%	4.90%	0.00%		0.00%			4.90%	0.00%	0.01%	4.92%	N/A
13	of which building renovation loans	99.20%	1.83%	1.83%	0.00%		0.00%			1.83%	0.00%	0.11%	1.85%	N/A
14	of which motor vehicle loans	100.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	N/A
15	Local governments financing	52.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
16	Housing financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
17	Other local government financing	52.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
19	Exposures included on a voluntary basis (2)	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	**GAR - Total GAR assets**	**52.49%**	**4.28%**	**4.26%**	**0.00%**	**0.00%**	**0.00%**	**0.01%**	**0.00%**	**1.81%**	**0.13%**	**1.46%**	**8.15%**	**N/A**

(1) In accordance with Article 7(8) of this Regulation.
(2) In accordance with Article 7(3) of this Regulation

4. GAR-KPI Flow (revenue-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	63.91%	13.63%	13.55%	0.00%	0.00%	0.08%	0.00%	0.00%	11.81%	0.01%	1.83%	21.32%	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	63.91%	13.63%	13.55%	0.00%	0.00%	0.08%	0.00%	0.00%	11.81%	0.01%	1.83%	21.32%	N/A
3	Financial undertakings	18.36%	0.35%	0.34%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.14%	1.88%	N/A
4	Loans and advances	18.36%	0.35%	0.34%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.14%	1.88%	N/A
5	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
6	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
7	Non-financial undertakings	26.70%	4.36%	4.18%	0.00%	0.00%	0.18%	0.00%	0.00%	0.00%	0.03%	4.31%	16.34%	N/A
8	Loans and advances	26.70%	4.36%	4.18%	0.00%	0.00%	0.18%	0.00%	0.00%	0.00%	0.03%	4.31%	16.34%	N/A
9	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
11	Households	98.26%	24.49%	24.49%	0.00%		0.00%			24.49%	0.00%	0.08%	24.92%	N/A
12	of which loans collateralised by residential immovable property	97.99%	23.24%	23.24%	0.00%		0.00%			23.24%	0.00%	0.10%	23.72%	N/A
13	of which building renovation loans	99.45%	9.35%	9.35%	0.00%		0.00%			9.35%	0.00%	0.46%	9.40%	N/A
14	of which motor vehicle loans	100.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	N/A
15	Local governments financing	58.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
16	Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
17	Other local government financing	58.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
19	Exposures included on a voluntary basis (2)	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	**GAR - Total GAR assets**	**63.91%**	**13.63%**	**13.55%**	**0.00%**	**0.00%**	**0.08%**	**0.00%**	**0.00%**	**11.81%**	**0.01%**	**1.83%**	**21.32%**	**N/A**

(1) In accordance with Article 7(8) of this Regulation.
(2) In accordance with Article 7(3) of this Regulation.

4. GAR-KPI Flow (CapEx-based)

	Disclosure reference date 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	63.12%	15.45%	15.41%	0.00%	0.00%	0.03%	0.00%	0.00%	11.81%	1.13%	2.46%	24.47%	N/A
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	63.12%	15.45%	15.41%	0.00%	0.00%	0.03%	0.00%	0.00%	11.81%	1.13%	2.46%	24.47%	N/A
3	Financial undertakings	18.63%	0.58%	0.55%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.09%	0.22%	3.10%	N/A
4	Loans and advances	18.63%	0.58%	0.55%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.09%	0.22%	3.10%	N/A
5	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
6	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
7	Non-financial undertakings	24.79%	8.74%	8.66%	0.00%	0.00%	0.08%	0.00%	0.00%	0.00%	2.73%	5.81%	35.27%	N/A
8	Loans and advances	24.79%	8.74%	8.66%	0.00%	0.00%	0.08%	0.00%	0.00%	0.00%	2.73%	5.81%	35.27%	N/A
9	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	N/A
11	Households	98.26%	24.49%	24.49%	0.00%		0.00%			24.49%	0.00%	0.08%	24.92%	N/A
12	of which loans collateralised by residential immovable property	97.99%	23.24%	23.24%	0.00%		0.00%			23.24%	0.00%	0.10%	23.72%	N/A
13	of which building renovation loans	99.45%	9.35%	9.35%	0.00%		0.00%			9.35%	0.00%	0.46%	9.40%	N/A
14	of which motor vehicle loans	100.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	N/A
15	Local governments financing	58.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
16	Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
17	Other local government financing	58.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	N/A
19	Exposures included on a voluntary basis (2)	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	**GAR - Total GAR assets**	**63.12%**	**15.45%**	**15.41%**	**0.00%**	**0.00%**	**0.03%**	**0.00%**	**0.00%**	**11.81%**	**1.13%**	**2.46%**	**24.47%**	**N/A**

(1) In accordance with Article 7(8) of this Regulation.
(2) In accordance with Article 7(3) of this Regulation.

5. KPI off-balance sheet exposures (Stock, revenue-based)

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
2	Assets under management (AuM KPI)	35.72%	5.96%	4.03%	0.03%	0.02%	0.25%	0.06%	0.00%	0.00%	0.24%	2.70%	N/A

5. KPI off-balance sheet exposures (Stock, CapEx-based)

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
2	Assets under management (AuM KPI)	40.60%	9.50%	7.15%	0.02%	0.03%	0.14%	0.07%	0.00%	0.00%	0.41%	4.17%	N/A

(1) In accordance with Article 7(8) of this Regulation.

5. KPI off-balance sheet exposures (Flow, revenue-based)

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
2	Assets under management (AuM KPI)	36.54%	6.51%	4.60%	0.03%	0.03%	0.35%	0.09%	0.00%	0.00%	0.24%	3.13%	N/A

5. KPI off-balance sheet exposures (Flow, CapEx-based)

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	l
% (compared to corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
2	Assets under management (AuM KPI)	42.33%	9.78%	7.59%	0.02%	0.04%	0.18%	0.10%	0.00%	0.00%	0.48%	4.42%	N/A

(1) In accordance with Article 7(8) of this Regulation.

ESRS E1: CLIMATE CHANGE

STRATEGY

DISCLOSURE REQUIREMENT E1-1 – TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

17) Planning and disclosure of a transition plan

With the fundamental revision of its sustainability strategy in 2024, the Group committed to comprehensively enhancing the calculation of financed emissions (see E1 IRO-1.20a, ESRS 2 BP-2.10-13). Hypo Vorarlberg emphasises this aspiration with its membership of the Partnership for Carbon Accounting Financials (PCAF) and by calculating its financed emissions using this methodology. This means it also acts in accordance with the PCAF guidelines, which propose the calculation and disclosure of financed emissions before a transition plan is defined.

The calculation of financed emissions in accordance with the PCAF standard (2022) was carried out again in 2025. This is the starting point for developing a climate transition plan, as it enables a short-term, medium-term and long-term risk assessment to be carried out taking into account established science-based pathways.

In the 2025 reporting period, the Bank focused intensively on the topic of transition planning, giving priority to its lending portfolio in the area of real estate financing. The aim is to guide this area towards a decarbonisation pathway. The regulatory basis was provided by Article 76 (2) of CRD VI (Capital Requirements Directive VI) as well as the relevant sections of the European Banking Authority (EBA) guidelines on the management of ESG risks and the Financial Market Authority (FMA) guidelines on handling sustainability risks.

The project-based development of the content outlined therein is divided into the following sub-areas:

- Strategic objectives and roadmap
- Objectives and metrics
- Governance
- Strategy and implementation
- Engagement strategy

Portfolio definition

The analysis initially focuses on the Bank's real estate lending portfolio. The analysis is carried out at the level of the individual properties and distinguishes between two perspectives:

- Financed real estate for managing climate impact
- Real estate as collateral for analysing transition risks

Determination of financed emissions

Greenhouse gas emissions are calculated in accordance with the PCAF standard (for details see E1-6). Emissions data and an attribution factor corresponding to the Bank's share of the financing are taken into account for each property. The financed emissions calculated in this way are aggregated by building type, among other things. Where data is not available in full (e.g. usable area), interpolations are carried out; these are documented and explained separately.

Climate targets and decarbonisation pathways

Climate pathways are defined on the basis of the calculated emissions intensities. The objectives are aligned with science-based climate targets in accordance with the Science Based Targets Initiative (SBTi) and the Carbon Risk Real Estate Monitor (CRREM) decarbonisation pathways.

Several climate scenarios were analysed in order to assess the future development of the real estate lending portfolio. These take into account different assumptions regarding market developments and the climate policy framework (WEM = with existing measures; WAM = with additional measures). The Bank's internal management assumptions are also taken into account. On this basis, the contribution of market developments and the Bank's own measures to the achievement of the targets is assessed and any remaining deviations are identified.

Analysis of transition risks

For the collateral portfolio, transition risks are analysed at the level of the individual properties. The forecast development of emissions intensity is compared to the defined climate pathways. This information is used to determine potential stranding dates, the extent of the renovation required and the renovation costs specific to each property.

Use and further development

The results of climate transition planning support the further development of portfolio management and thus contribute directly to the risk minimisation requirements set out in the climate transition plan. It is expected that relevant key performance indicators will be defined, regularly reviewed and adjusted as necessary.

Governance, strategy and implementation

The responsibilities for the preparation, validation, implementation and monitoring of the plans have been defined and documented internally. The management body is responsible for approving and supervising the plans. Development and implementation have also been integrated into the strategy and will continue to be taken into account in the planning process in future. The relevant stakeholders are kept regularly informed of the latest developments so that they can decide on mitigation measures in the event of any deviations.

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

18) Discussion of material climate-related risks
Hypo Vorarlberg has identified both physical risks and transition risks in the area of climate change. These are as follows:

Physical risks

Risk factors	Materiality	Explanation
Droughts/extreme heat	x	Potentially significant topic in the long term
Flooding	x	Flooding occurs in the Bank's market areas. There are certain regional cluster risks in the case of HQ100 events.
Loss of biodiversity/land-use change		This is a potentially significant issue; however, no material financial risk to the Bank is anticipated in the short to medium term. The long-term outlook remains unclear.
(Drinking) water shortage		Same approach as for rising temperatures
Avalanches		Although the risk of avalanches is not material according to the risk inventory, it can be determined using the same solution as for flooding risk. There are also geographical overlaps with flooding risk.
Rising temperatures	x	The high temperatures in recent years have had an unexpected impact on the economy (e.g. supply chain disruption). Potential strategic risk in the long term

Transition risks

Risk factors	Materiality	Explanation
Changes to the legal framework	x	Carbon taxes and other regulatory requirements can cause additional costs and influence business models
Technological development	x	No investment or insufficient investment in new and/or potentially riskier technologies; more investment in new, riskier technologies; potential bad investments, sunk costs
Changes in consumer behaviour (including investment behaviour)	x	Lack of engagement with sustainability risks; erosion of earnings power; higher defaults than the industry as a whole; reputational risks in connection with greenwashing

19a) Scope of the resilience analysis
Hypo Vorarlberg understands the resilience analysis as a systematic assessment of unexpected changes, crises and risks with the aim of evaluating and improving its resilience.

A complete risk inventory is a prerequisite for mapping risks. This ensures the comprehensive mapping of all material risks. The Internal Capital Adequacy Assessment Process (ICAAP) risk inventory, the Internal Liquidity Adequacy Assessment Process (ILAAP) risk inventory and the risk inventory for sustainability risks are arranged annually by Group Risk Controlling when the risk strategy is revised. In terms of quantification, the focus is currently on climate risks in accordance with the FMA guidelines.

Physical risks (flooding risk) are presented based on geographical aspects. In the case of transition risks, the requirements of the risk strategy for energy performance certificates (for real estate and consumer financing) and greenhouse gas intensities are reviewed. No risks were excluded from the risk inventory.

Among others, the following documents form the basis for handling sustainability risks at the Bank:
- FMA guidelines on handling sustainability risks, 2025
- European Central Bank (ECB) good practices for climate-related and environmental risk management, November 2022
- EBA Guidelines on the Management of ESG Risks, 8 January 2025
- Letter on supervisory expectations regarding ESG risks, 25 September 2024

19b) Disclosures on how the resilience analysis was conducted, including the use of climate scenarios
AR 7a+c) Disclosure of topic-specific critical assumptions and consideration of the actions listed under E1-3
A quantitative assessment of flooding risks and transition risks has taken place since 2022. Physical risks are presented based on geographical aspects (see E1-20b for details of the assumptions). Both avalanche risk and flooding risk are addressed. The measures introduced in the financing business in connection with "Credit risk: Failure of collateral due to extreme weather conditions or environmental disasters" (see E1-3.28) contribute to risk minimisation. They apply to new business with customers. In the case of transition risks, the requirements of the risk strategy for energy performance certificates (for real estate and consumer financing) and greenhouse gas intensities are reviewed (see E1-20c for details of the assumptions and actions).

Plausible scenarios with physical climate risks that are expected to occur with a high likelihood should not lead to a breach of the stress test requirements in the short term.

Plausible scenarios with transitional climate risks that are expected to occur with a high likelihood should not lead to an erosion of the Bank's equity base in the long term. The question of whether sustainability risks will have to be backed by equity in future must also be observed.

Stress tests are to be developed for risks identified as material. The challenges must be addressed as best as possible. The long-term nature of sustainability risks (especially transition risks in the area of climate risks) is a particular challenge. The long-term specifications for the scenarios can be described qualitatively. If quantitative assessments are not possible or can only be prepared at unreasonably high cost and effort compared to the existing risk, the qualitative assessment of these scenarios once a year (as part of stress testing) is sufficient.

The Network for Greening the Financial System (NGFS) scenarios used in the climate risk stress test of the European Central Bank can serve as a starting point for determining the scenarios used. Plausible assumptions should be used where data or modelling gaps still exist. The impacts of the scenarios should be estimated qualitatively or quantitatively. The uncertainty of the estimate for long time periods must be taken into account.

AR 7b) Time horizons for material physical and transition risks and emission reduction targets
The ESRS time horizons – up to 1 year, 1-5 years and over 5 years (including periods of over 10 years) – are used in risk management.

19c) Results of the resilience analysis including the results of the scenario analyses
RESULTS OF THE RESILIENCE ANALYSIS
The results of the resilience analysis are published annually with a reporting date of 30 June as part of the internal sustainability risk report. The risk inventory confirmed potential risks from flooding and potential strategic risks from rising temperatures. The following parameters must be taken into account when assessing the risk of flooding as part of stress testing:

- Affected geographical area: Flooding (especially in the Alps) is typically a local or regional occurrence. The distribution of risks from the sustainability risk report must be taken into account
- Affected volume: This may depend on the address of the customer and the collateral
- Increased default rates among affected customers
- Increased loss severity: Factors such as insurance or expected public aid must be taken into account

Summary of material physical risks:

- The exposure to customers domiciled in HQ100 zones throughout Austria amounts to EUR 549 million, of which EUR 413 million is attributable to Vorarlberg (June 2024: EUR 569 million and EUR 409 million respectively). The corresponding real estate collateral amounts to EUR 391 million throughout Austria, of which EUR 276 million is attributable to Vorarlberg (June 2024: EUR 347 million and EUR 231 million respectively)
- The exposure to customers domiciled in avalanche hazard zones amounts to EUR 97 million (June 2024: EUR 89 million). With the exception of a few customers in the rest of Austria with small volumes, the customers concerned are based in Vorarlberg. The value of the corresponding collateral in avalanche hazard zones amounts to EUR 95 million (June 2024: EUR 85 million). In the same way as for the exposure, this is almost entirely attributable to Vorarlberg
- Some of the Bank's customers are located in both an HQ100 zone and an avalanche zone and hence are at risk from both hazards. The exposure in question totals EUR 21 million (June 2024: EUR 14 million). The collateral value for the combined flooding/avalanche risk amounts to EUR 46 million (June 2024: EUR 39 million)

The risk inventory also shows risks from changes in the legal framework (carbon taxes, legal requirements in areas such as disclosure) and, in the medium term, strategic risks due to changes in customer behaviour. The following parameters must be taken into account when assessing the risk from changes in the legal framework as part of stress testing:

- Estimated greenhouse gas intensities from the sustainability risk report
- Distribution of greenhouse gas intensities by industry
- Possible transmission channels to the Bank's balance sheet and income statement
- As well-founded a description as possible of the transmission mechanisms including the premises applied
- The scenarios for independent variables (in this case the carbon price) must still be plausible, but must represent strong deviations from the expectation

While the direct physical climate risks for the banking infrastructure are considered serious but relatively low, it is primarily indirect physical climate risks in the core business that are significant for the company (e.g. the provision of financing to companies that are exposed to physical risks). Climate change transition risks also mainly affect Hypo Vorarlberg's core business (e.g. the provision of financing to companies whose business models are being tested by climate change).

Summary of transition risks: A changeover to data based on new emission factors provided by the publicly accessible PCAF database (previously EUROSTAT) is currently in progress. An internal change to the recording of energy performance certificate data has been made so that it can be recorded at individual property level in future. The latest data will be published immediately after these two changes have been finalised and will be disclosed in the next report.

RESULTS OF SCENARIO ANALYSIS
The analysis for the scenarios below was performed using the key macroeconomic variables (NIGEM NGFS v1.21 | Austria). No specific portfolio data was used.

Current policies
In the long term, the occurrence of physical risks in a form that would have a sustained negative impact on Hypo Vorarlberg cannot be ruled out. There are no indications of such an impact in the medium term. The assessment is that no significant impacts can arise from physical risks based on the current composition of the portfolio and the current business strategy.

Divergent Net Zero (1.5 °C)
Minor effects are to be expected in the observation period for stress testing. Overall, the model anticipates relatively low GDP growth and relatively low interest rate rises. There is no critical trend in terms of either unemployment or inflation. House prices are expected to move sideways for long periods of time. Based on the figures and the scenario description, no additional short-term and medium-term effects are expected that would justify a quantitative simulation of the scenario.

In the long term, it should be noted that the scenario is characterised by relatively low GDP growth. Share price performance (as an indicator of company values) is generally weak. In the medium term, the costs of poorly coordinated policies therefore have a negative impact on economic growth, and hence on prosperity. The impact on the profitability and creditworthiness of companies and demand for credit can be seen in the medium term. Negative impacts on the creditworthiness of companies (depending on the respective industry) cannot be ruled out.

The selection of scenarios for stress testing and the results for the assessment of physical and transition risks are discussed in greater detail under E1 IRO-1.21.

AR 8a) Areas of uncertainties of the resilience analysis and the extent to which the assets and business activities at risk are considered within the definition of the undertaking's strategy, investment decisions, and current and planned climate change mitigation actions
The sustainability risk inventory is subject to considerable uncertainties. These uncertainties increase in line with the length of the periods considered. The uncertainties relate to data, models and assumptions regarding future developments, including policy measures. To reduce uncertainty, the Bank pursues a strategy of expanding the available data (such as energy performance certificates) and analysing publications and studies on this topic. The Bank has established a robust process for identifying risks.

AR 8b) Ability to adapt the business model to climate change, including financing, asset redeployment, portfolio shifting and reskilling
Hypo Vorarlberg is pursuing a strategic approach to adapting its business model to the short-term, medium-term and long-term challenges of climate change.

SHORT TERM

The Bank uses comprehensive business continuity management (BCM) to manage acute physical climate risks, such as damage caused by extreme weather events, in order to ensure that material business processes can continue even in exceptional circumstances. This includes emergency plans, crisis management and the training of safety officers at the branches. Requirements have also been introduced for financing in high-risk areas, such as flooding or avalanche hazard zones, in order to minimise the direct impact of natural disasters on collateral and customer creditworthiness.

MEDIUM TERM

Hypo Vorarlberg integrates ESG key figures into its risk controlling and continuously reviews the adjustment of its exclusion criteria (selection criteria), positive criteria and sensitive areas in order to prevent sustainability risks to the greatest possible extent. This includes assessing physical and transition risks in new business, particularly in relation to greenhouse gas intensity and financing in hazard zones. Current and potential sustainability risks for each industry must be taken into account when setting limits. Real estate financing is controlled on the basis of energy performance certificates. The analysis of greenhouse gas intensities shows no need for adjustment. None of the industries with a high greenhouse gas intensity accounts for a significant share of the portfolio, and these industries are already limited to 10% in any case. It should be noted that a significant proportion of the business segment is controlled on the basis of energy performance certificates. The current and expected greenhouse gas intensities must be assessed and taken into account when setting industry limits. The product and service portfolio is adapted or expanded to pursue the opportunities presented by climate change, e.g. by developing new sustainable financial products or adding sustainability aspects to existing financial products. The diversification of the portfolio serves to avoid cluster risks. Potential risks from "green industries" are also taken into account.

LONG TERM

The Bank is strengthening the resilience of its business model by gradually implementing strategic guidelines on governance, risk and portfolio management. The aim is to achieve resilience in the face of climate risks while continuing to secure funding on competitive terms. Regular reviews by Internal Audit and the continuous enhancement of strategies serve to ensure the long-term adaptability of the business model.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT E1-2 – POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

24) Policies for managing material climate impacts, risks and opportunities in accordance with ESRS 2 MDR-P

General information on strategies for dealing with climate change mitigation and adaptation

Policies play an important role because they provide guidance, foster a sense of commitment and establish consistent standards. Internal policies ensure that ESG topics are systematically integrated into Hypo Vorarlberg's decision-making processes.

The following is a list of internal policies:

- Sustainability strategy
- Risk strategy
- Sustainable procurement and circular economy
- Business continuity management (BCM)
- Ethical and sustainable criteria for financing
- ESG investment approach
- ESG in own-account investments

"Sustainability strategy" policy (Group)
Key content

Hypo Vorarlberg's sustainability strategy describes the central aspects of how sustainability issues are aligned and incorporated within the Group and within Hypo Vorarlberg's core business. The strategy is reviewed annually and was most recently updated in December 2025. The individual sections provide an overview of the core elements of the strategy and its implementation to date in the specialist departments for individual key ESG topics:
▪ Definitions of terms
▪ Regulatory framework
▪ Business model and strategic orientation
▪ Sustainability governance and responsibilities
▪ Core elements of the strategy:
    ▪ Environmental
    ▪ Social
    ▪ Governance

General objectives
The sustainability strategy acts as a framework for all relevant ESG topics with the primary objective of reducing the identified negative impacts to the greatest possible extent and promoting positive impacts, minimising risks and exploiting opportunities arising in particular from the transition to a climate-neutral economy based on responsible resource management.
References to material impacts, risks or opportunities
The context for the material impacts, risks and opportunities is determined on the basis of the double materiality analysis and the resulting material topics (environmental, social, governance). The results are determined and then incorporated into the sustainability strategy so that it acts as a framework for the implementation of the IROs identified from the material topics.
Monitoring process
The sustainability strategy is defined by the full Managing Board as part of the annual strategy and planning process and is closely aligned with the Group's business strategy. It is submitted to the Supervisory Board for acknowledgement following approval by the full Managing Board.
Area of application
The sustainability strategy applies to all employees of the Group, irrespective of their position. The standards set out therein apply to colleagues, customers, business partners and other stakeholders. Responsibility for implementing the sustainability strategy guidelines lies with Hypo Vorarlberg's respective specialist departments and subsidiaries. The integration of specialist aspects of sustainability is intended to drive forward the operationalisation of the sustainability strategy.
Responsible organisational level
The full Managing Board sets the direction of travel with regard to sustainability issues and defines fundamental values and goals that apply throughout the Group. Furthermore, the full Managing Board is responsible for determining and ensuring compliance with sustainability targets, the comprehensive integration of ESG topics and the continuous enhancement of the sustainability strategy in the individual specialist departments and subsidiaries of Hypo Vorarlberg. The full Managing Board is regularly informed about current progress by the Sustainability Group and forwards this information to the Supervisory Board.
References to third-party standards or initiatives
The topic of sustainability is a cross-cutting issue in which various regulatory requirements must be met. The following references to regulatory standards do not constitute an exhaustive list: ▪ EU taxonomy (Regulation (EU) 2020/852) ▪ Sustainable Finance Disclosure Regulation (SFDR) (Regulation (EU) 2019/2088) ▪ Corporate Sustainability Reporting Directive (CSRD) (Directive (EU) 2022/2464) ▪ European Central Bank (ECB) guide on climate-related and environmental risks ▪ EBA Guidelines on the Management of Sustainability Risks ▪ FMA guidelines on handling sustainability risks, 2025

Consideration of stakeholder interests
The sustainability strategy is defined by the Managing Board as part of the annual strategy and planning process. Responsibility for implementing the strategic guidelines lies with the specialist departments, which ensure the involvement of the relevant stakeholders and employees of Hypo Vorarlberg. The Sustainability Group supports the strategy and target definition process in relation to sustainability topics and the operational implementation of the sustainability strategy. As a cross-cutting issue, sustainability affects almost all areas, departments and employees throughout the Group.
Availability of the policy for stakeholders
The sustainability strategy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Risk strategy" policy
Key content
Hypo Vorarlberg's risk strategy describes the risk management framework and risk policy principles of the Hypo Vorarlberg Group. The strategy is reviewed annually and was most recently updated in the second half of 2025. The individual sections provide a detailed overview of the elements of the strategy: ▪ Validity of the risk strategy ▪ Definitions ▪ Risk management in the Group ▪ Regulatory risk appetite ▪ ICAAP/ILAAP ▪ Sustainability risks ▪ Stress testing ▪ Other risk types (e.g. credit risk, foreign currency risk in the lending business)
General objectives
In terms of sustainability risks, the risk strategy acts as a framework for relevant ESG issues with the primary objective of identifying potential risks, recognising and avoiding cluster risks and building up a data pool and expertise. The risks recognised as material are handled in the risk strategy for the respective risk type.
References to material impacts, risks or opportunities
The context of the material risks is determined when the risk inventory is carried out. The results are analysed and (if material) subsequently incorporated into the risk strategy. The sustainability risk report monitors the requirements for the material sustainability risks identified according to the risk inventory. The risk inventory was taken into account in the materiality analysis this year, resulting in the identification of the following material topics: E19, E21, E23, E24, E25, E26 and E27. Requirements in the risk strategy: ▪ The risks associated with financing in hazard zones (flooding (HQ100), avalanches) according to the applicable hazard zone plans (in Austria: Avalanche and Torrent Control Service (WLV), Federal Water Engineering Administration (BWV)) must be taken into account. ▪ The Bank only accepts and finances construction projects for which all official permits have been or are expected to be secured. This does not include pure property purchases. ▪ Potential hazards (e.g. due to a location in a hazard zone) and the mitigation of these hazards (typically conditions imposed by the building authorities) are determined as part of the valuation of the collateral (building survey) and taken into account in determining the market value (see E1 SBM-3.19c).
Monitoring process
The risk strategy is defined by the Managing Board as part of the annual strategy and planning process. As part of the annual strategy and planning process, care is taken to ensure that the business and risk strategies are coherent. In the event of inconsistencies with the business strategy, the risk strategy takes precedence due to the risk policy principles applicable within the Group. The risk strategy is acknowledged by the Risk Committee of the Supervisory Board and by the Supervisory Board.
Area of application
The risk strategy applies to all employees of the Hypo Vorarlberg Group, irrespective of their position. The standards set out therein apply to the Group (all companies included in the regulatory scope of consolidation of the credit institution group), the individual bank (the Bank including the St. Gallen branch) and specific management units (e.g. Bank Corporate Customers, Hypo Vorarlberg Leasing), depending on the respective topic.
Responsible organisational level
The Managing Board is responsible for overall risk management within the Group. In this function, it approves the risk controlling principles, governance and risk measurement procedures. Governance is based on the three-line model. The Managing Board also defines the risk appetite and limits for all relevant risk types. Among other things, the Risk Committee discusses the Group's risk strategy and its implementation, the risk types and the current risk situation (including sustainability risks), compliance with limits and, in particular, whether they have been exceeded, as well as risky developments. The Head of Group Risk Controlling attends the meetings of the Risk Committee at least once a year. The ICAAP, the ILAAP, the sustainability risks and the Group's risk situation are also discussed by the Risk Committee. The specialist departments and Sales must take risk management in the Group into account in accordance with the organisational structure.
References to third-party standards or initiatives
The topic of sustainability risk is a cross-cutting issue in which various regulatory requirements must be met. The following references to regulatory standards do not constitute an exhaustive list: ▪ FMA guidelines on handling sustainability risks ▪ EBA Guidelines on the Management of Sustainability Risks ▪ ECB good practices for climate-related and environmental risk management
Consideration of stakeholder interests
The risk strategy is defined by the Managing Board as part of the annual strategy and planning process. The involvement of the relevant stakeholders of Hypo Vorarlberg is ensured and documented.
Availability of the policy for stakeholders
The risk strategy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Sustainable procurement and circular economy in business operations" policy
Key content

Hypo Vorarlberg's "Sustainable procurement and circular economy in business operations" policy describes the process and the criteria applied for the procurement of products and services for Hypo Vorarlberg and must be applied by all employees who perform procurement processes. The policy is reviewed regularly, most recently in the first half of 2025. The individual sections are organised according to product groups and services and include the defined requirements to ensure sustainable procurement in each case:
▪ Scope of application and regulatory requirements
▪ Application of the policy for product groups/services:
    ▪ IT equipment
    ▪ Stationery and office supplies
    ▪ Waste management
    ▪ Vehicle fleet
    ▪ Construction
    ▪ Purchase of energy for business operations
    ▪ Office equipment
    ▪ Advertising materials
    ▪ Customer events and gifts

General objectives
As a financial services company (banking, leasing and real estate business), Hypo Vorarlberg's supply and value chain differs fundamentally from that of a manufacturing company. Nevertheless, it has set itself the goal of defining and implementing sustainable procurement processes in order to make a significant contribution to resource conservation, environmental friendliness and economic efficiency in the regions in which it operates. The resulting impacts should be taken into account in the holistic view of the procurement processes and product areas.
References to material impacts, risks or opportunities
The policy helps to minimise the negative impact on the climate caused by CO_2 emissions from business operations, e.g. in the vehicle fleet. The specific references to the material impacts are currently as follows: E11, E17.
Monitoring process
The Logistics department management team monitors compliance by performing regular and ad hoc checks and documentation in internal systems.
Area of application
Some parts of the policy are specifically designed for all Group locations in Austria. For locations outside Austria, the requirements apply according to the same principles or must be applied analogously. If an exception to these documented requirements is necessary, an application with accompanying rationale must be submitted to the document owner of the policy, who is responsible for approving the exception.
Responsible organisational level
The Logistics department, which reports directly to the Managing Board, is responsible for creating and continuously updating the policy as well as for its implementation.
References to third-party standards or initiatives
The following references to regulatory standards do not constitute an exhaustive list: ▪ Austrian Action Plan for Sustainable Public Procurement (naBe) 2021 ▪ Austrian Society for Sustainable Real Estate Management (ÖGNI) standard ▪ Austrian Federal Act on Health and Safety at Work
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg were involved in the creation of this policy, in particular the specialist departments for Logistics, Facility Services, Material and Fleet Management, Construction, Customer Marketing, Sponsorship and Events, IT and Sustainability. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders.
Availability of the policy for stakeholders
The "Sustainable procurement and circular economy in business operations" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

Business continuity management (BCM) policy
Key content
The "Business continuity management (BCM)" policy builds on the "Business continuity management" guidelines to describe the objectives and strategies for business continuity management (BCM) defined therein and sets out the requirements for an appropriate business continuity management system (BCMS). The main content of the policy is as follows: ▪ Description of the organisational structure and the emergency planning and emergency response organisation ▪ Identification of critical and important functions ▪ Business impact analyses ▪ Establishment of business continuity plans ▪ Emergency planning and general operational procedures ▪ Emergency management and special operational procedures ▪ Testing, exercises and improvement
General objectives
The aim is to establish a business continuity management (BCM) framework and an appropriate business continuity management system (BCMS) based on the "Business continuity management (BCM)" guidelines and the objectives and strategies defined therein. The purposes are: ▪ Definitions, delimitations from and synergies with other topics ▪ Description of general conditions and influencing factors ▪ Definition of responsibilities and duties for the emergency planning and emergency response organisation ▪ Definition of methodologies and procedures for business impact and risk analyses in BCM ▪ Implementation of business continuity plans, recovery and restoration plans, and continuous improvements to the BCM and BCMS

References to material impacts, risks or opportunities
Environmental topics (e.g. the risk of flooding, severe weather and extreme heat) are also taken into account when carrying out risk analyses and implementing preventive measures. The specific references to the material risks are currently as follows: E21.
Monitoring process
To ensure the effectiveness and efficiency of the BCMS, all stages of the BCM process must be regularly monitored, measured, analysed and evaluated. To this end, the BCM officer must define and collect key performance indicators in accordance with the "Performance indicators and compliance in connection with digital operational resilience" policy. These are then compared with defined target values.
Area of application
The provisions of the policy apply to all areas of Hypo Vorarlberg with the exception of subsidiaries and holdings.
Responsible organisational level
▪ Superior to the Managing Board ▪ IT GRC for BCM as a whole ▪ Physical Security Logistics department
References to third-party standards or initiatives
The policy is based on Standard 200-4 of the Federal Office for Information Security.
Consideration of stakeholder interests
The interests of various stakeholders (including employees, customers, suppliers, shareholder representatives, public authorities, etc.) are taken into account in the preventive measures and contingency plans.
Availability of the policy for stakeholders
The "Business continuity management (BCM)" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Ethical and sustainable criteria (financing business)" policy
Key content

Hypo Vorarlberg's "Ethical and sustainable criteria for financing" policy describes the central procedure for taking ESG criteria into account in the financing business and must be applied by all Group employees. The policy is reviewed regularly and was most recently updated in the first half of 2025. The content of the policy can be summarised as follows:
▪ Scope
▪ Implementation and review
▪ Mindfulness in financing business for Hypo Vorarlberg customers:
    ▪ Application of positive criteria
    ▪ Application of exclusion criteria
    ▪ Sensitive areas
 	
The individual sections cover the positive criteria, exclusion criteria and sensitive areas at Hypo Vorarlberg and the most important steps for reviewing and evaluating potential financing in respect of sustainability aspects and establishing material references to the topic-specific standard E1 Climate change.

General objectives
In 2017, Hypo Vorarlberg decided to take into account the impact of transactions in its financing business on the environment, the climate and people. Since then, desirable and undesirable transactions in this respect have been identified using a variety of different criteria (see under E1-3 for details).
References to material impacts, risks or opportunities
The topic-specific management of material impacts (positive and negative), risks and opportunities is performed by applying positive criteria and exclusion criteria or by taking sensitive areas into account. In the case of material risks, risk aspects are also taken into account. Where possible, market opportunities are expressed in the form of sustainability aspects in the existing or future product range. The specific references to the material impacts, risks and opportunities are currently as follows: E10, E12, E13, E14, E15, E16, E18 and E22.
Monitoring process
Compliance is monitored by Hypo Vorarlberg employees using the dual control principle before the transaction is concluded and continues to be monitored for the duration of the customer relationship. Internal Audit also takes the "Ethics and sustainability criteria for financing" into account in its ongoing audits. This forms part of the internal due diligence process.
Area of application
The policy applies to all employees of the Group who are involved in financing in their business segment, irrespective of their position. The standards set out therein apply to new and existing customers in the financing business.
Responsible organisational level
The respective specialist department (Credit Management, Sales) is responsible for creating the policy and updating it as required, as well as for its implementation. Coordination is performed by the Sustainability Group in conjunction with Group Risk Controlling, both of which report directly to the Managing Board.
References to third-party standards or initiatives
The "Ethical and sustainable criteria for financing" policy is based on the requirements of international agreements and ethical standards in the areas of human and labour rights. The relevant agreements and standards are: ▪ United Nations Human Rights Charter ▪ Principles of the ILO Declaration on Fundamental Principles and Rights at Work
Consideration of stakeholder interests
All of the relevant specialist departments at Hypo Vorarlberg are involved in the regular revision of this policy, in particular Sales, Credit Management, Legal, Group Risk Controlling, Sustainability and the Managing Board. Any amendment to this policy requires the renewed involvement of the aforementioned specialist departments.
Availability of the policy for stakeholders
The "Ethical and sustainable criteria for financing" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"ESG investment approach (Asset Management)" policy
Key content
Hypo Vorarlberg's "ESG investment approach" describes the central procedure for evaluating investments in Asset Management and must be applied by all employees in this business segment. The policy is reviewed regularly and was most recently updated in June 2025. The individual sections describe the holistic process and the Hypo ESG rating as its key component, as well as the most important steps for reviewing and evaluating new and existing investments (equities, bonds and target funds) in respect of a range of defined sustainability aspects: ▪ ESG at Hypo Vorarlberg ▪ Individual securities selection (ESG approach) ▪ Target fund selection (ESG approach) ▪ Adverse impacts on sustainability factors (PAI) ▪ Monitoring process and stakeholders The material topics are specifically taken into account within the aforementioned framework when selecting securities in accordance with the ESG investment approach. All of the figures used in Hypo Vorarlberg's ESG rating are based on ESG data from the research partner Sustainalytics[3] or publicly accessible databases such as Freedom House.[4]
General objectives
The main objective of the "ESG investment approach" is to assess and classify ESG aspects in order to minimise potentially negative environmental, social and governance impacts support positive ones by investing directly or indirectly in companies. Since November 2021, all Hypo Vorarlberg funds and asset management strategies that are actively offered have been classified as financial products within the meaning of Article 8 of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) and take into account environmental and/or social characteristics.
References to material impacts, risks or opportunities
The topic-specific management of material impacts (positive and negative), risks and opportunities is performed in the individual components of Hypo Vorarlberg's ESG rating as shown under "Key content". The ESG rating is composed of selection criteria, norm-based screening, a best-in-class approach (orientation towards climate targets, measurable impact on SDGs, controversial economic practices, corporate governance, ESG risk rating) and the country risk for sovereign debt. The specific references to the material impacts, risks and opportunities are currently as follows: E10, E12, E13, E14, E15, E18, E20 and E22.
Monitoring process
Compliance is monitored using the dual control principle. The ESG rating tool is used to examine and ensure compliance with the defined ESG requirements on an ex-ante basis as part of the securities selection process. Investments are only made if the ESG investment approach is complied with at the time of purchase. Securities portfolios are also regularly reviewed. The results are checked for plausibility at product level on an ex-post basis. Additional review steps are initiated if any anomalies are identified.
Area of application
The policy applies to all employees of the Group who are involved in portfolio management and bond issuance in their area of business, irrespective of their position. The standards set out therein are aimed at the downstream value chain. At product level, the Hypo ESG investment approach defines the main requirements for portfolio management, including the distinction between "Investments" and "Other investments". It is divided into two areas: "Selection of individual securities" and "Selection of target funds".
Responsible organisational level
The Asset Management department, which reports directly to the Managing Board, is responsible for creating the policy and updating it as required, as well as for its implementation.
References to third-party standards or initiatives
The "ESG investment approach" is based on European directives and guidelines from international organisations. The relevant directives and guidelines are: ▪ Sustainable Finance Disclosure Regulation (EU 2019/2088) (SFDR) ▪ Regulation (EU) 2021/1253 on sustainability in connection with MiFID II ▪ United Nations principles for responsible corporate governance (United Nations Global Compact)[5] ▪ OECD Guidelines for Multinational Enterprises[6] ▪ United Nations Guiding Principles on Business and Human Rights[7] ▪ United Nations Sustainable Development Goals (UN SDGs)[8] ▪ Degree of freedom according to the non-governmental organisation Freedom House
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg were involved in the creation of this policy, in particular the specialist departments for Asset Management, Compliance and Sustainability. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders.
Availability of the policy for stakeholders
The ESG investment approach is publicly available on Hypo Vorarlberg's website.[9]

[3] The information, data, analyses and opinions contained herein (the "Information"): (1) includes the proprietary information of Sustainalytics and/or its content providers; (2) may not be copied or redistributed except as specifically authorised; (3) do not constitute investment advice nor an endorsement of any product, project, investment strategy or consideration of any particular environmental, social or governance related issues as part of any investment strategy; (4) are provided solely for informational purposes; and (5) are not warranted to be complete, accurate or timely. The Information is not directed to, nor intended for distribution to or use by India-based clients and/or users, and the distribution of Information to India resident individuals and entities is not permitted. Neither Morningstar Inc., Sustainalytics, nor their content providers accept any liability for the use of the information, for actions of third parties in respect to the information, nor are responsible for any trading decisions.
[4] https://freedomhouse.org/.
[5] https://globalcompact.at/10-prinzipien.
[6] https://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.html
[7] https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf.
[8] https://unric.org/en/united-nations-sustainable-development-goals/.
[9] https://www.hypovbg.at/anlage-vorsorge/hypo-vorarlberg-fonds.

“ESG in own-account investments (Treasury: APM & Investments)” policy

Key content

The “ESG in own-account investments (Treasury: APM & Investments)” policy describes Hypo Vorarlberg’s central procedure for taking ethics and sustainability criteria into consideration in its own-account investments. This investment strategy must be taken into account by all Hypo Vorarlberg employees working in this business segment. The policy is regularly reviewed and updated, most recently in September 2025. By taking sustainability aspects into account when making investment decisions, the company aims to support the transition to a climate-neutral economy and indirectly influence companies to focus on environmental and social responsibility to a greater extent. The content of the policy can be summarised as follows:

- Implementation and review
- Mindfulness in Hypo Vorarlberg’s own-account investments
- Minimum requirements and norm-based screening
- Positive criteria
- Exclusion criteria
- Sustainability for states
- Procedure for reviewing the criteria for own-account investments

Investments are checked for compliance with these criteria, with a particular focus on human rights, environmental and social aspects. Country-specific risk assessments are applied for sovereign debt. Compliance with these criteria is reviewed by reference to data from external ESG research partners. If no data is available or the intended use is not known, the valuation is carried out on the basis of available company information.

General objectives

The main objective of the document is to promote sustainable investments, ensure compliance with ethical standards and minimise risk by avoiding investments in socially or environmentally problematic areas. Hypo Vorarlberg aims to invest exclusively in forms of investment that comply with international ethical standards and to exclude high-risk areas that do not satisfy these standards.

References to material impacts, risks or opportunities

The topic-specific management of material impacts (positive and negative), risks and opportunities is performed in the individual components of the ESG rating in accordance with the “ESG in own-account investments” policy as shown under “Key content”. The specific references to the material impacts, risks and opportunities are currently as follows: E10, E12, E13, E14, E15, E18, E20 and E22.

Monitoring process

Compliance is monitored by the Treasury APM & Investments Group using the dual control principle and is regularly audited by Internal Audit.

Area of application

The document applies to all employees and covers Hypo Vorarlberg’s direct investments. Supply chains and shareholdings are not currently subject to mandatory review, as this is generally not possible due to data availability.

Responsible organisational level

The Treasury: APM & Investments specialist department, which reports directly to the Managing Board, is responsible for creating the document and updating it as required, as well as for its implementation.

References to third-party standards or initiatives

The “ESG in own-account investments (Treasury: APM & Investments)” document is based on international agreements and standards in the areas of human rights, labour standards, the environment and corruption prevention, including:

- United Nations principles for responsible corporate governance (United Nations Global Compact)
- OECD Guidelines for Multinational Enterprises
- United Nations Guiding Principles on Business and Human Rights

Consideration of stakeholder interests

The interests of all relevant stakeholders were taken into account in the creation of this document and knowledge bearers at Hypo Vorarlberg were involved, in particular the specialist departments for Own-account Investments, Data Protection and Compliance as well as the Sustainability Group. Any amendment to this policy requires a renewed assessment by the aforementioned stakeholders.

Availability of the policy for stakeholders

The “ESG in own-account investments (Treasury: APM & Investments)” policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

25a-d) Consideration of certain areas in the policies

Hypo Vorarlberg’s strategies already take account of the issues of a) climate change mitigation, b) climate change adaptation, c) energy efficiency and d) renewable energy deployment. These areas are an integral part of the sustainability strategy and are addressed by specific policies (see E1-2.24).

DISCLOSURE REQUIREMENT E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

28) Actions and resources related to climate change mitigation and adaptation in accordance with ESRS 2 MDR-A

GENERAL INFORMATION ON ACTIONS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The following is a list of actions related to the climate strategies. Actions for climate change mitigation and adaptation can be derived on the basis of the topic-specific requirements addressed in the sustainability strategy. The respective specialist departments are responsible for defining and implementing the individual actions. Most of these are also set out in separate policies or work instructions.

Financing business

Key measures

Taken

The individual measures cover the most important criteria (positive criteria, exclusion criteria and sensitive areas) for reviewing and evaluating potential financing in respect of sustainability aspects and establishing material references to the topic-specific standard E1 Climate change and climate change mitigation (see E1-2).

Application of positive criteria:

- Projects that correspond to the following environmental objectives of the EU taxonomy:
  - Climate change mitigation
  - Climate change adaptation

Application of exclusion criteria:

- Exclusion of coal mining (no direct project financing for coal mining projects)

Consideration of sensitive areas:

- Controversial business areas:
  - Transactions involving fossil fuels (oil and gas extraction through fracking, oil extraction from tar sands)
  - Controversial environmental practices
  - Disregard of generally recognised environmental standards or rules of conduct by large-scale projects (e.g. pipelines, mines, power plants, timber extraction from primary forests)
  - Flagrant disregard of environmental laws

Implementation in the product range:

- EIB NZEB+ (see ESRS 2 SBM-1 40ai)
- Renovation work to lower energy requirements
- Installation of sustainable building automation systems
- Installation of energy-saving and sustainable heating, ventilation, air conditioning and hot water systems
- Installation of renewable energy technologies such as solar systems and heat pumps
- Purchase of energy-saving and/or energy-efficient appliances

Continuation of GHG accounting for financed emissions

As a financial institution, Hypo Vorarlberg is aware that it can have a significant influence on financed emissions based on how it manages its lending (Scope 3.15). In 2024, the calculation of financed emissions was carried out using the PCAF framework for the first time (for details see E1-6). The measurement has been integrated into the risk, business and sustainability strategy and will now be carried out annually. There are also plans to further enhance the information value of the calculation over time where possible (e.g. by improving the data quality score).

Derivation of measures and targets for the decarbonisation strategy

The adoption and implementation of the PCAF standard was both a first step and a significant milestone in the drive towards decarbonisation. This is because the calculation serves as the basis or starting point for the development of relevant performance indicators and the definition of available decarbonisation levers at the level of the asset classes. Robust emission reduction pathways are to be defined on the basis of relevant science-based scenarios and selected parameters. At the heart of the strategy is the creation of a transition plan that will specify both qualitative and quantitative measures and targets (see E1-1).

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of climate protection is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and continuously applying them to the entire securities selection process. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

Expected results for financed emissions (GHG accounting)

By calculating the financed emissions using the PCAF framework for the first time, Hypo Vorarlberg was able to gain an initial insight into the composition of the emission budget in financing via its lending portfolio. Hypo Vorarlberg has already planned measures based on this year's results, including the annual performance of the calculation, the expansion of the calculation model and integration into existing processes. The development of a decarbonisation strategy based on the model is expected to be possible in the next reporting period.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "Ethical and sustainable criteria for financing" policy, which essentially aims to take into account the impact of financing on the environment, the climate and people. The material impacts, risks and opportunities identified in the double materiality analysis are taken into account as follows: E10, E12, E13, E14, E15, E16, E18 and E22.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply throughout the Group. The planned measures will also cover the entire value chain.

Time horizon

The measures taken have a long-term time horizon (more than five years). The planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (plan-do-check-act) and adjusted as necessary.

Key remedial measures

The measures taken have a preventive effect. No further remedial measures are linked to the provision of financing.

Progress

The measures taken and planned have already been implemented and are reviewed annually to determine whether they need to be adjusted. There was no need for any qualitative adjustments compared to the previous year.

Asset management

Key measures

Taken

The following measures taken include the procedure for determining Hypo Vorarlberg's ESG rating in the area of investment strategies and in the selection of target funds. The measures also cover the measurement and controlling of potential negative impacts on the sustainability factors for investments and include material references to the topic-specific standard E1 Climate change and climate change adaptation:

- Use of external ESG data sources (Sustainalytics, a Morningstar Group company)
- Procedure for determining the Hypo ESG rating:
- Selection criteria and revenue thresholds applied in%:
  - Nuclear energy 5%
  - Fossil fuels:
    Oil extraction from tar sands 5%
    Production of oil and gas 10%
    Crude oil and natural gas extraction through fracking 0%
    Coal extraction/mining 5%
- Compliance with international standards through norm-based screening:
  - Norm-based screening enables compliance with international norms and standards relating to the environment. It uses the categories "compliant", "watchlist" and "non-compliant". "Compliant" companies and securities on the "watchlist" are given equal weighting in the Hypo ESG rating. "Non-compliant" companies are not selected:
    United Nations Global Compact: Principles 7, 8 and 9
    OECD Guidelines for Multinational Enterprises: Chapter VI – Environment
- Comparison using the best-in-class approach
  - Orientation towards climate targets (assessment based on the 1.5°C Paris Agreement target)
  - Measurable impact on SDGs (only a measurable impact on the United Nations Sustainable Development Goals contributes to an improved rating):
    SDG 7: Affordable and clean energy
    SDG 11: Sustainable cities and communities
    SDG 13: Climate action
  - Controversial business practices (business operations, supply chain (environmental), employees, corporate governance, society and community, products and services, supply chain (social), customers, business ethics, public)
  - "Good corporate governance" (quality and integrity of the Managing Board and management, composition of the Managing Board, ownership and shareholder rights, wages and salaries, auditing and financial reporting, risk management)
  - ESG risk rating
- Material ESG topics
- Idiosyncratic and systematic topics
- Corporate governance and stakeholders
- Approach to calculating ESG country rating:
  - Country risk
  - Freedom House Index (Free, Partly Free, Not Free)
- Measurement and management of the principal adverse impacts (PAIs) on sustainability factors through the publication of PAI statements

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of climate protection is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and continuously applying them to the entire securities selection process. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

The criteria and measures already implemented are used to comprehensively review investment opportunities in order to ensure compliance with international norms and standards and a heightened focus on forms of investment that take sustainability aspects into account.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "ESG investment approach" policy, which essentially involves promoting sustainable investments and minimising the potential impact of problematic forms of investment on the environment, the climate and people. These refer to the following IROs: E10, E12, E13, E14, E15, E18, E20 and E22.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply to the Bank and, in some cases, the St. Gallen branch.

Time horizon

The measures taken have a long-term time horizon (more than five years). All measures are regularly reviewed as part of a continuous process (plan-do-check-act) and adjusted as necessary.

Key remedial measures

The measures taken have a direct effect. The criteria to be taken into account contribute directly to remedial action.

Progress

The measures taken have already been implemented and are reviewed annually to determine whether they need to be adjusted. The planned measures are a continuation of the measures already taken. There was no need for any qualitative adjustments compared to the previous year. Quantitative measurements are carried out on a monthly and quarterly basis via the rating process.

Own-account investments

Key measures

Taken

The individual measures cover the most important criteria as outlined below for reviewing and evaluating potential investments in the area of investment decisions (new purchases) in respect of sustainability aspects and establishing material references to the topic-specific standard E1 Climate change and climate change adaptation:

- Minimum requirements and norm-based screening:
- Norm-based screening enables compliance with international norms and standards relating to the environment. No investments are made in companies that violate international environmental norms and standards. The basis for screening is as follows:
  - United Nations Global Compact: Principles 7, 8 and 9
- OECD Guidelines for Multinational Enterprises: Chapter VI – Environment
- Application of positive criteria:
- Positive criteria are reviewed by checking for the presence of the following two characteristics:
  - Conformity with the Green Bond Principles, the Social Bond Principles, the Sustainability-Linked Bond Principles or the Sustainability Bond Guidelines
  - Classification as an ESG investment and provision of a second party opinion by a recognised sustainability rating agency
- Application of exclusion criteria (revenue thresholds):
  - Fossil fuels:
    Crude oil and natural gas extraction through fracking 0%
    Oil extraction from tar sands 5%
    Coal extraction/mining 5%
    Nuclear energy 5%
- Consideration of sensitive areas:
  - Characteristics that are harmful to the environment or the climate:
    Flagrant disregard of environmental laws
    Disregard of generally recognised environmental standards or rules of conduct by large-scale projects

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of climate protection is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and continuously applying them to the entire securities selection process. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

Expected results for financed emissions (GHG accounting)

By calculating the financed emissions using the PCAF framework for the first time, Hypo Vorarlberg was able to gain an initial insight into the composition of the emission budget in financing via its lending portfolio. Hypo Vorarlberg has already planned measures based on this year's results, including the annual performance of the calculation, the expansion of the calculation model and integration into existing processes. The development of a decarbonisation strategy based on the model is expected to be possible in the next reporting period.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "ESG in own-account investments (Treasury: APM & Investments)" policy, which essentially involves promoting sustainable investments and minimising the potential impact of problematic forms of investment on the environment, the climate and people. The measures implemented and planned help to minimise negative impacts and risks, promote positive impacts and allow identified opportunities to be pursued. The material impacts, risks and opportunities identified in the double materiality analysis are taken into account as follows: E10, E12, E13, E14, E15, E18, E20 and E22.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply throughout the Group. The planned measures will also cover the entire value chain.

Time horizon

The measures taken have a long-term time horizon (more than five years). The planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (plan-do-check-act) and adjusted as necessary.

Key remedial measures

The measures taken have a direct effect. The criteria to be taken into account contribute directly to remedial action.

Progress
The measures taken and planned have already been implemented and are reviewed annually to determine whether they need to be adjusted. The measures planned in 2024 have been incorporated into the measures already taken. There was no need for any qualitative adjustments compared to the previous year. No quantitative measurements were carried out.

Own business operations – reduction in GHG emissions

Key measures

Taken

- Covering 100% of total electricity requirements with electricity from renewable sources
- For new buildings, Hypo Vorarlberg aims to achieve the Silver quality standard in accordance with the criteria of "Klimaaktiv.at", an initiative of the Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology, and/or the ÖGNI Gold quality standard.
- When making new purchases for the vehicle fleet that are to be used in addition to existing vehicles or as replacements for vehicles that are taken out of service, the focus is on electric vehicles as long as their planned use does not give rise to any grounds for exclusion (all-wheel drive capability, off-road capability, transportation function, suitability for long-haul driving)
- Carbon credits for climate change mitigation projects
- Replacement of lighting with LED technology (Bank)
- Use of car-sharing vehicles for business trips
- New heating and cooling systems without fossil fuels
- Ongoing control optimisation of heating and cooling systems
- Logo lighting mostly switched off at night (Bank)
- Business trips and trips to training courses are only approved if online participation is not possible. If air travel is booked, at least one leg of the journey should be travelled by train.

Planned

- Suitable roof surfaces should be equipped with solar and/or photovoltaic systems to the greatest possible extent unless there are justifiable reasons that prevent this (e.g. listed building status, impact on landscape and local character, timing of renovation work, static load-bearing capacity) This is not currently a priority, but is planned for the medium term.
- Replacement of heating energy systems with renewable energy sources (e.g. district heating, biomass or heat pump systems)
- Energy-efficient renovation of buildings by 2030: Renovation work is to be performed as best-practice renovation. These concepts are comprehensively taken into account, especially where large-scale new construction and conversion work at branches is concerned.

Expected results

Switching to renewable energies serves to lower GHG emissions and typically also reduces total energy consumption in own business operations.

Contribution to the realisation of the objectives and targets of the policy

The measures taken are consistent with the objective of the "Sustainable procurement and circular economy in business operations" policy, which essentially concerns climate change adaptation through sustainable procurement and handling and limiting greenhouse gas emissions in business operations. The material impacts, risks and opportunities are addressed in a targeted manner through the measures already taken and planned: E11, E17. Implementation is in line with the key measures listed above.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply to all Group locations in Austria. For locations outside Austria, the requirements apply according to the same principles and must be applied analogously.

Time horizon

The measures taken have a long-term time horizon (more than five years). Unless otherwise stated, the planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (plan-do-check-act) and adjusted as necessary.

Key remedial measures

The measures taken have a direct effect. The criteria to be taken into account contribute directly to remedial action.

Progress

- The proportion of electricity from renewable sources has increased from 10% in 2016 to 99.35% in 2025
- Thanks to ongoing energy efficiency measures, such as the replacement of expiring lighting with LED lighting, control system optimisation in the area of heating/cooling and the reorganisation of infrastructure and equipment, total energy consumption in buildings has been reduced by 27.5% (around 1.4 GWh) since 2016

ESRS 2 69a-c) Disclosure requirements for action plans with significant OpEx and/or CapEx requirements

The allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

29) Disclosures in addition to ESRS 2 MDR-A

29a) List of key actions taken and planned, including the decarbonisation levers applied

OWN BUSINESS OPERATIONS

In the 2025 reporting year, several internal measures were taken to reduce greenhouse gas emissions, including the gradual conversion of the vehicle fleet to electric vehicles and car sharing. Exceptions are only permitted with Managing Board approval and where the vehicles fall below a defined emission threshold. Other initiatives include the introduction of the KlimaTicket public transport pass for employees and support for climate change mitigation projects.

DOWNSTREAM VALUE CHAIN

In conjunction with the aforementioned MDR-A, the following actions and decarbonisation levers were identified and applied in the downstream value chain:

- Financing business, own-account investments and ESG-related investments:
  - Consideration of exclusion criteria (selection criteria), positive criteria and/or sensitive areas in the financing business (since 2017)
  - Promotion of environmental and/or social aspects through the application of the "ESG investment approach" in portfolio management; compliance with minimum quotas for third-party products pursuant to Article 8 or Article 9 SFDR

- Sustainable investment strategy: Investment in bonds with a clear sustainability focus (e.g. green bonds)
- Product range incorporating ESG aspects:
  - Examination of the expansion/addition of sustainability aspects to existing products (based on the requirements of the EU taxonomy)
- Green bonds:
  - In 2017, Hypo Vorarlberg became the first Austrian bank to issue a green bond with a total volume of EUR 300 million. The proceeds were used to (re)finance energy-efficient residential buildings and commercial properties in Vorarlberg.
  - Spring 2020: CHF 125 million green bond
  - March 2020: Green private placement in CZK
  - 2022: Green retail bond with a volume of EUR 20 million
  - February 2023: Another two retail bonds and a green bond with a volume of EUR 500 million
- Improvement in ESG data quality:
  - Continuous collection of customer ESG data via the Oesterreichische Kontrollbank (OeKB) ESG Data Hub
  - Climcycle: Tool for taxonomy assessment of financing since 2023
- Transparency and reporting:
  - Disclosure in accordance with EU taxonomy/GAR
  - Measurement and disclosure of operational emissions (Scope 1, 2 and 3.13) and Group-wide financed emissions (Scope 3.15): PCAF membership since summer 2024
  - Implementation of the climate transition plan project in the 2025 financial year

29b) Outcome of climate change mitigation actions, including emission reductions achieved and expected
Hypo Vorarlberg has entirely switched its electricity supply to renewable energies in recent years and now obtains 99.35% of its electricity from sustainable sources. As part of the reorganisation of its vehicle fleet, the company decided to focus on fully electric drives when purchasing new vehicles. Where vehicles with combustion engines are still purchased in exceptional circumstances, a maximum emission threshold of 126 g of CO_2/km (WLTP) has applied since 1 January 2025. In addition, the use of public transport is supported through the introduction of the KlimaTicket public transport pass and by encouraging the use of public transport or car sharing for business trips in order to reduce the company's own emissions. As a further contribution to climate change mitigation, Hypo Vorarlberg supports climate change mitigation projects in the amount of the previous year's emissions. The company is increasingly focusing on sustainable and environmentally friendly solutions for renovation and maintenance work, and it continuously promotes energy efficiency at all of its buildings and locations.

Decarbonisation levers	Key measures	Status	Time horizons	Expected results	Results achieved
Renewable energy	Covering 100% of total electricity requirements with electricity from renewable sources	Implemented. In the case of one rented location, it is not possible to influence a change in tariff for the electricity consumption for lifts, stairwells and lighting for the entire property. This relates to 0.7% (2025) of total electricity consumption, with 28.8% of this figure coming from renewable sources.	Implementation from 2018 to 2023	-	The first locations were switched to new tariffs in 2018. Reduction in CO_2 emissions of 375 metric tons from 2017 to 2025. 99.35% of electricity consumption from renewable sources since 2025.
	Equipping suitable roof surfaces with solar/ photovoltaic systems	Initial analysis completed and projects planned for a further six locations.	By 2028	Projects with PV systems totalling around 317 kWp are currently planned.	PV systems have been installed at four locations since 2016.
	Replacement of existing oil boilers	Implemented; there is no influence over heating energy in two rented properties (accounting for less than 0.7% of total energy consumption in buildings).	By 2026	Reduction in GHG emissions of around 24 metric tons of CO_2 compared with the previous year.	The Riezlern district heating system was commissioned in mid-2025. The share of renewable sources in the heat mix is 99.6% for 2025.
	90% share of total energy requirements for heating and electricity by 2030	Implemented with regard to electricity (see above). The replacement of heating systems at four locations is currently planned or in preparation. These are district heating connections or heat pump systems.	By 2028	Increase in share to 83% (65% in 2023) and reduction in GHG emissions of 193 metric tons of CO_2.	Share increased by 62% since 2016 (as of 2025).
Climate change mitigation projects	Support for climate change mitigation projects	Currently being implemented	Ongoing	Offsetting of internal CO_2 emissions in the amount of the previous year's emissions.	Support for projects in line with CO_2 emissions.

Decarbonisation levers	Key measures	Status	Time horizons	Expected results	Results achieved
Operational energy efficiency	Energy-efficient renovation of buildings by 2030 (best practice approach); replacement of expiring lighting with LED lighting; control system optimisation in the area of heating/cooling	In addition to energy-efficient renovation, the current focus is on replacing fossil fuels with renewable energy sources. Lighting has been replaced and control systems have been optimised on an ongoing basis since 2016.	Since 2016	Reduction in total energy consumption and hence reduction in CO_2 emissions.	Since 2016, energy efficiency measures have reduced the total energy consumption for buildings by 27.5% (1,439 MWh, as of 2025).
Vehicle fleet	Focus on electric vehicles when it comes to new purchases (exceptions only with Managing Board approval, max. 126 g CO_2/km from 2025); use of car-sharing vehicles for business trips	Currently being implemented	From 2025	Reduction in GHG emissions through electrified vehicle fleet	Number of electric vehicles increased to 22. Annual savings of approx. 54 metric tons of CO_2 from fossil fuels.

AR 21) Discussion of the extent to which the undertaking's ability to implement the actions depends on the availability and allocation of resources
Planned actions are taken into account in the annual budget planning process and allocated to the corresponding funds when approved. Outside of the annual budget planning process, funds may be made available for the implementation of new and existing actions subject to prior authorisation by the full Managing Board. The budgeting process and the budget structure at Group and project level are designed to ensure the feasibility of measures.

29c) Allocation of required CapEx and OpEx amounts for planned or implemented actions to:
29ci) the relevant line items or notes in the financial statements
An allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

29cii-ciii) the key performance indicators and, if applicable, the CapEx plan required under Commission Delegated Regulation (EU) 2021/2178
Not applicable to financial institutions.

METRICS AND TARGETS

DISCLOSURE REQUIREMENT E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

32) Disclosure of GHG reduction targets and additional climate-related targets (e.g. renewable energies, energy efficiency, climate change adaptation, risk minimisation) in accordance with ESRS 2 MDR-T
ESRS 2 80a-j) Description of the relationship between targets and strategy objectives

Own business operations – reduction in GHG emissions
Target
Increase in the share of renewable energies in the Group's total final energy requirements for heating, cooling and electricity to 90% by 2030.
Relationship between target and policy/strategy objective
The target is consistent with the strategy and policies of the Hypo Vorarlberg Group (sustainability strategy, sustainable procurement policy).
Defined target level
90% of total energy requirements for buildings (heating, cooling and electricity) to come from renewable sources.
Scope of the target
Electricity requirements will be switched to 100% electricity from renewable sources where this can be influenced. Where possible, heating systems using fossil fuels (heating oil, natural gas) will be replaced by connections to local district heating networks or by energy-efficient heat pump systems. In Bregenz, a connection to the Lake Constance water supply system is also in planning/preparation. The target can be realised at locations where the company itself can determine the type of heating used. In the case of co-ownership shares in multi-party buildings, a corresponding change can be proposed; in this case, decisions are made in accordance with the provisions of the Austrian Condominium Act. This target cannot be pursued at rented locations.
Baseline value and base year
Base year: 2023 Baseline value: 65% of the total energy requirement for buildings from renewable sources
Period to which the target applies, including any milestones and interim targets
By 2030. To achieve this target, a step-by-step plan for the buildings covering the period to 2027 was drawn up for banking operations in Vorarlberg. This plan is to be further developed at Group level. It mainly envisages a switch from fossil fuel-based heating systems to district heating networks (biomass) and various heat pump systems.
Methodologies and significant assumptions
In the course of collecting data on energy consumption for the energy mix and GHG emissions, data for the individual locations is recorded according to energy consumed and energy source. Source information comes from the bills issued by energy suppliers, either directly or indirectly.

Relationship with environmental aspects and scientific evidence	
Reducing fossil; fuel combustion and switching to renewable energy sources leads to a significant reduction in GHG emissions. Scenarios taking account of the planned measures were calculated using the GHG Protocol standard.	
Stakeholder involvement	
The target was defined at various management levels, in particular with the involvement of various specialist departments within the Group (e.g. Facilities Engineering). The target applies throughout the Group. Responsibility for implementation lies with the subsidiary Hypo Immobilien & Leasing and is monitored by Hypo Vorarlberg.	
Changes in targets, metrics or measurement methodologies	
No changes to the targets, metrics or measurement methodologies are expected.	
Progress	
Monitoring is carried out by implementing the step-by-step plan. Progress is measured annually.	
Current performance compared with the disclosed target	
The share of renewable energies for buildings was 70% in 2025.	

ESRS 2.81) If the undertaking has not set any measurable outcome-oriented targets
ESRS 2.81a) Disclosure of whether the undertaking intends to set such targets and the timeframe for doing so, or the reasons why the undertaking does not set such targets
DOWNSTREAM VALUE CHAIN

Work on defining a decarbonisation strategy for financed emissions (Scope 3.15) will begin in 2025. This strategy will include specific measurable targets as well as relevant key figures and time periods in order to systematically monitor and evaluate progress in this area. These activities are already planned in the measures for the next reporting period (see E1-3.28).

ESRS 2 81bi-ii) Disclosure of whether the undertaking tracks the effectiveness of its strategies and actions in relation to impacts, risks and opportunities, including the procedures, the targets set and the time periods
DOWNSTREAM VALUE CHAIN

The effectiveness of the strategies and actions in relation to impacts, risks and opportunities is ensured by the monitoring process defined in the policies (see E1-2, E1-3). The strategies and actions are reviewed regularly (at least annually) and adjusted as necessary. The monitoring process takes account of various internal stakeholders (specialist departments, the Managing Board and, as part of its regular auditing activities, Internal Audit).

33) Disclosure of whether and how GHG emission reduction targets and/or other targets to manage material climate-related impacts, risks and opportunities are set

The main IROs for the company's own business operations were taken into account when determining the targets:
"Increase in GHG emissions: Negative impact on the climate due to GHG emissions from operations and the vehicle fleet."
Based on the "Sustainable procurement and circular economy in business operations" policy mentioned above, the company has taken measures aimed at reducing the GHG emissions of its own business operations. The target is based on the reduction targets prescribed by the state of Vorarlberg.

34) Disclosure of GHG emission reduction targets in detail (the requirements in E1-4.34a-c and e-f apply in addition to ESRS 2 MDR-T)
34a AR 23) GHG reduction targets shall be disclosed as absolute values (either in metric tons of CO_2 or as a percentage of the emissions of a base year) and, where relevant, as intensity values
34b AR 24) Disclosure of GHG reduction targets for Scope 1, 2 and 3 – separately or combined – including disaggregation of the GHGs covered and the shares attributable to them

The table, which fulfils requirements 4.34a and b, consists of several dimensions (base year and targets, GHG types, Scope 3 categories, decarbonisation levers, company-specific denominator for the intensity value)

Group	2025	2023 Base year	Milestones and target years 2028	2030
GHG emissions (market-based) [t CO_2] excluding Scope 3.15	6,627	6,746	6,556	6,506
GHG Scope 1 [t CO_2]	309	393	238	218
GHG Scope 2 location-based [t CO_2]	353	511	587	588
GHG Scope 2 market-based [t CO_2]	24	53	56	39
GHG Scope 3 [t CO_2] excluding Scope 3.15	6,294	6,300	6,262	6,249
Use of renewable energies	70.0%	65.0%	83.0%	90.0%

AR 25a) Discussion of how the undertaking has ensured that the baseline value is representative

As the scope of consolidation, the calculation methodology and the sources of emission factors are the same, the representativeness of the benchmark is ensured.

AR 25b) If the base year or baseline value is changed, discussion of how the change affects target achievement and the presentation of progress
The base year for the report is 2023. There are no changes in terms of target achievement and progress for the 2025 reporting year.

34b) Discussion of how the consistency of the GHG emission reduction targets with the GHG inventory boundaries was ensured
When measuring its GHG emissions, Hypo Vorarlberg comprehensively takes account of emissions from its own business operations (Scope 1, 2 and 3) and Scope 3 emissions from the downstream value chain (see E1-6.44-52). The GHG emission reduction targets relate exclusively to internal business operations and, within this, to the areas of heating, cooling and electricity.

34e and AR 26) Disclosure of whether the GHG emission reduction targets are science-based and compatible with limiting global warming to 1.5 °C
Hypo Vorarlberg's goals are based on the targets set by the state of Vorarlberg in its MissionZeroV[10] programme, which reflects its commitment to achieving the Paris Agreement climate goals and envisages a largely zero-carbon way of life and economy from 2050 onwards (see E1-4.29b for details). No further scientific analyses were carried out in the course of defining the targets.

34f) Disclosure of decarbonisation levers and their quantitative contribution to the GHG emission reduction targets (e.g. efficiency, consumption reduction, renewable energies, fuel switching)
The following decarbonisation levers were identified in the company's own business operations:
- Electricity requirements will be switched to 100% electricity from renewable sources where this can be influenced
- Where possible, heating systems using fossil fuels (heating oil, natural gas) will be replaced by connections to local district heating networks or by heat pump systems. In Bregenz, a connection to the Lake Constance water supply system is in planning/preparation.

This target can be realised at locations where the company itself can determine the type of heating used. In the case of co-ownership shares in multi-party buildings, a corresponding change can be proposed; in this case, decisions are made in accordance with the provisions of the Austrian Condominium Act. This target cannot be pursued at rented locations.

The following statements can therefore be made regarding the quantitative contribution to the GHG reduction targets:
- Through the measures and targets set, Hypo Vorarlberg is expected to achieve a reduction of around 240 metric tons of CO_2 from 2030 onward.
- In the area of fleet management, an additional reduction of 154 metric tons of GHG emissions could be achieved by 2030 compared with the base year

AR 30) Additional information to be disclosed in accordance with paragraph 34f
AR 30a) Disclosure of climate change mitigation measures, decarbonisation levers and their estimated contributions to GHG emission reduction
- Lever 1: Electricity requirements will be switched to 100% electricity from renewable sources where this can be influenced (Scope 2 and 3).
- Lever 2: Where possible, heating systems using fossil fuels (heating oil, natural gas) will be replaced by connections to local district heating networks or by heat pump systems (Scope 1, 2 and 3). In Bregenz, a connection to the Lake Constance water supply system is in planning/preparation.

AR 30b) Adoption of new technologies to achieve GHG emission reduction targets
There are currently no plans to adopt new technologies to achieve the GHG emission reduction targets.

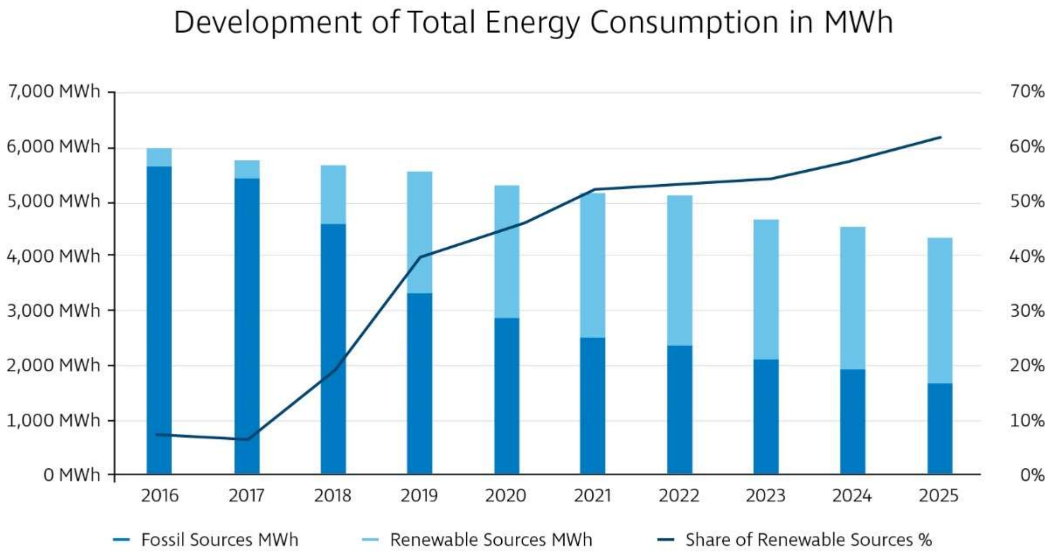
AR 30c) Consideration of a diverse range of climate scenarios, including a 1.5 °C scenario, to detect relevant developments and determine decarbonisation levers
Hypo Vorarlberg's goals are based on the targets set by the state of Vorarlberg with its MissionZeroV strategy, which reflects its commitment to achieving the Paris Agreement climate goals. No further scientific analyses were carried out in the course of defining "decarbonisation levers".

[10] https://www.energieautonomie-vorarlberg.at/.

DISCLOSURE REQUIREMENT E1-5 – ENERGY CONSUMPTION AND MIX

OWN BUSINESS OPERATIONS

AR 34, 35) Energy consumption and mix related to own business operations



The following table fulfils the requirements of E1-5.37 and 5.39:

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Total consumption of fossil energy (MWh)	1,662	1,916	1,383	1,604	98	79	232	233
Share of fossil fuels in total energy consumption	38.0%	41.9%	35.7%	39.1%	57.6%	57.2%	70.5%	68.7%
Consumption from nuclear power sources (MWh)	0	0	0	0	0	0	0	0
Share of nuclear power sources in total energy consumption	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fuel consumption for renewable sources, including biomass (also industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources) (MWh)	0	0	0	0	0	0	0	0
Consumption from electricity, heat, steam and cooling purchased or received and from renewable sources (MWh)	2,648	2,611	2,431	2,446	72	59	97	106
Consumption of internally generated renewable energy other than fuels (MWh)	61	49	61	49	0	0	0	0
Total renewable energy consumption (MWh) (sum of rows 5 to 7)	2,709	2,660	2,492	2,495	72	59	97	106
Share of renewable sources in total energy consumption	62.0%	58.1%	64.3%	60.9%	42.4%	42.8%	29.5%	31.3%
Total energy consumption (MWh) (sum of rows 1 to 9)	4,371	4,576	3,875	4,099	170	138	329	339

The decline in fossil fuel consumption is attributable to two measures and one improvement in data:

- The connection to the district heating network (biomass) in Riezlern reduced heating oil consumption by 64% by mid-2025.
- Seven diesel vehicles were replaced by electric cars, reducing diesel fuel consumption by 22%.
- Market-based heating energy from district heating was calculated for the first time. Thanks to the suppliers' energy labels, it was possible to report a higher share of renewable energies. In 2024, 79% of purchased heating was attributable to fossil fuels. By 2025, this figure had fallen to 48%.

The consumption of internally generated renewable energy relates to a PV system (75 kWp). Production losses in 2024 were caused by faulty inverters. The reported consumption figure for 2025 is only 7% lower than that for 2023.

DISCLOSURE REQUIREMENT E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

44-52, AR 39, AR 42, AR 48, AR 52) Gross Scopes 1, 2 and 3 and total GHG emissions in metric tons of CO_2 equivalents
The following table fulfils the requirements of 6.44-52

Group	2025	Previous years 2024	2023 Base year	Year-on-year change	Milestones and target years 2028	2030	Annual target/base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (t CO_2)	309	354	393	-12.6%	238	218	-6.4%
Share of Scope 1 GHG emissions from regulated emissions trading schemes	0	0	0	0.0%	0	0	0.0%
Scope 2 GHG emissions							
Location-based gross GHG emissions (t CO_2)	353	518	511	-32.0%	587	588	2.2%
Market-based gross GHG emissions (Scope 2) (t CO_2)	24	51	53	-53.2%	56	39	-3.8%
Austria							
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (t CO_2)	230	278	308	-17.1%	153	133	-8.1%
Share of Scope 1 GHG emissions from regulated emissions trading schemes	0	0	0	0.0%	0	0	0.0%
Scope 2 GHG emissions							
Location-based gross GHG emissions (t CO_2)	323	486	479	-33.6%	555	556	2.3%
Market-based gross GHG emissions (Scope 2) (t CO_2)	24	51	52	-53.6%	56	39	-3.6%
Switzerland							
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (t CO_2)	20	16	22	23.4%	22	22	0.0%
Share of Scope 1 GHG emissions from regulated emissions trading schemes	0	0	0	0.0%	0	0	0.0%
Scope 2 GHG emissions							
Location-based gross GHG emissions (t CO_2)	2	2	1	20.7%	1	1	0.0%
Market-based gross GHG emissions (Scope 2) (t CO_2)	0	0	0	0.0%	0	0	0.0%
Italy							
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (t CO_2)	59	60	63	-1.5%	63	63	0.0%
Share of Scope 1 GHG emissions from regulated emissions trading schemes	0	0	0	0.0%	0	0	0.0%
Scope 2 GHG emissions							
Location-based gross GHG emissions (t CO_2)	28	30	31	-8.5%	31	31	0.0%
Market-based gross GHG emissions (Scope 2) (t CO_2)	0	0	1	0.0%	0	0	-14.3%

Group	2025	Previous years 2024	2023 Base year	Year-on-year change	Milestones and target years 2028	2030	Annual target/base year
Significant Scope 3 GHG emissions							
1 Purchased goods and services	306	300	334	2.0%	333	333	0.0%
2 Capital goods	99	90	90	10.0%	93	93	0.5%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	125	151	155	-17.2%	121	108	-4.3%
4 Upstream transportation and distribution	29	29	28	0.0%	27	27	-0.5%
5 Waste generated in operations	22	22	21	0.0%	21	21	0.0%
6 Business travel	107	139	94	-23.0%	94	94	0.0%
7 Employee commuting	513	482	461	6.4%	456	456	-0.2%
8 Upstream leased assets	23	4	5	475.0%	5	5	0.0%
9 Downstream transportation	0	0	0	0.0%	0	0	0.0%
10 Processing of sold products	0	0	0	0.0%	0	0	0.0%
11 Use of sold products	0	0	0	0.0%	0	0	0.0%
12 End-of-life treatment of sold products	0	0	0	0.0%	0	0	0.0%
13 Downstream leased assets	5,070	5,200	5,112	-2.5%	5,112	5,112	0.0%
Rented property, plant and equipment	5,119	5,245	5,157	-2.4%	5,157	5,157	0.0%
Managed forests	-49	-45	-45	8.9%	-45	-45	0.0%
14 Franchises	0	0	0	0.0%	0	0	0.0%
Gross Scope 3 GHG emissions (t CO_2) excluding Scope 3.15	6,294	6,417	6,300	-1.9%	6,262	6,249	-0.1%
15 Investments	1,089,264	1,384,930	n/a	-21.3%	0	0	0.0%
Gross Scope 3 GHG emissions (t CO_2) including Scope 3.15	1,095,558	1,391,347	6,300	-21.3%	6,262	6,249	-0.1%
Total GHG emissions							
Total GHG emissions (location-based) (t CO_2)	1,096,220	1,392,219	7,204	-21.3%	7,087	7,055	-0.3%
Total GHG emissions (market-based) (t CO_2)	1,095,891	1,391,752	6,746	-21.3%	6,556	6,506	0.5%

*Investments: Financed emissions (Scope 3.15) are disclosed separately under E1-6.AR 41 and the content of the results is described.

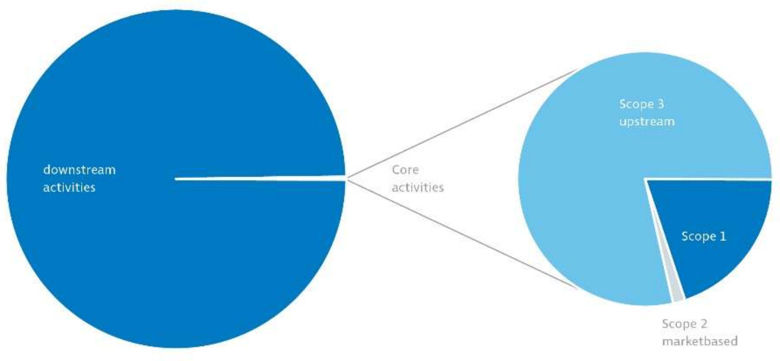
The reduction of 45 metric tons of CO_2 in Scope 1 GHG emissions is discussed under E1-5 in connection with fossil fuel consumption. Thanks to the improvement in data quality regarding purchased heating described above, market-based and location-based Scope 2 GHG emissions are also decreasing. Location-based Scope 2 emissions have also fallen by an additional 133 metric tons of CO_2 as a result of the update to the emission factors.

The increase in Scope 3.2 GHG emissions (capital goods), which mainly result from manufacturing-related emissions in connection with the vehicle fleet, is attributable to the purchase of eight electric vehicles as these generate higher GHG emissions than fossil fuel-powered vehicles due to the raw materials required in their production.

The development of Scope 3.3 GHG emissions (fuel and energy-related activities not included in Scope 1 or Scope 2) relates to changes in Scope 1 and 2 and the consumption of fossil fuels and purchased heat.

The reduction in Scope 3.6 GHG emissions (business travel) is mainly attributable to the decline in intercontinental air travel, which had risen significantly in 2024 due to projects in connection with the data centre but was no longer required to the same extent in 2025. In addition, there has been a decline in the use of other modes of transport, while opportunities to participate in online meetings and training sessions continue to grow.

E1-6. AR 52) GHG emissions disaggregated by value chain



AR 41) GHG emissions disaggregated by PCAF asset class
FINANCED EMISSIONS

Scope 3.15 emissions are also referred to as financed emissions. PCAF has developed a methodology which Hypo Vorarlberg uses to calculate its financed emissions. Hypo Vorarlberg has been a member of PCAF since summer 2024. Financed emissions were calculated for the first time as at 31 December 2024. The results of this year's calculation are shown in tables 1 and 2 below and relate to the reporting date of 31 December 2025. A year-on-year comparison of emissions intensities and data quality scores can be found in table 3. The vast majority of Scope 3 emissions were calculated using PCAF emission factors and only include Scope 3 upstream emissions. For the small remainder, directly reported emissions were available and were used for the calculation. PCAF describes methodologies for recording emissions in the real economy that are financed by lending and investment activities for seven different asset classes. Further information on the calculation methodology and the PCAF emission factors used can be found under ESRS 2 BP-2.10-13. The continued application of the PCAF methodology meant it was possible to calculate the financed emissions for the following asset classes:

- Listed equity and corporate bonds
- Business loans and unlisted equity
- Commercial real estate
- Mortgages
- Motor vehicle loans
- Project finance
- Sovereign debt

Emissions in the PCAF asset class "Project finance" were calculated for the first time as at the reporting date. The calculations were based on Hypo Vorarlberg's lending portfolio and own-account investment portfolio, the leasing portfolios of Hypo Immobilien & Leasing GmbH (Dornbirn) and Hypo Vorarlberg Leasing AG (Bolzano) and companies included in the consolidated financial statements using the equity method (comit Versicherungsmakler GmbH, MASTERINVEST Kapitalanlage GmbH). This corresponds to a total volume of EUR 14.5 billion, which was applied in calculating the financed emissions. The table below describes the relative and absolute coverage of the volumes covered by PCAF asset class for 2025 and the change in the absolute volumes compared to the previous year.

Total volume disaggregated by PCAF asset class

PCAF asset class	Volume in EUR million			Of which covered	
	2025	2024	Change compared to previous year	Relative in%	Absolute in EUR million
Listed equity and corporate bonds	418.99	469.47	-10.76%	100.0	418.99
Business loans and unlisted equity	3,981.82	6,722.67	-40.79%	100.0	3,981.82
Commercial real estate financing	6,360.06	3,916.25	62.39%	100.0	6,360.06
Mortgages	1,761.28	1,698.44	3.70%	100.0	1,761.28
Motor vehicle loans	39.32	36.04	9.09%	100.0	39.32
Project finance	28.57	-	-	100.0	28.57
Sovereign debt	926.35	736.09	25.85%	98.0	907.55
Out of scope	941.53	1,023.63	-8.02%	0.0	-
Total	**14,457.92**	**14,602.58**	**-0.99%**	**93.0**	**13,497.59**

A calculation closely based on the PCAF methodology was possible for 93% of the volume. As in the previous year, this corresponds to EUR 13.5 billion. The differences compared to the total volume included in the calculation were due to incomplete data sets, which meant it was not possible to calculate the financed emissions for individual financing in some cases, and the fact that PCAF calculation methods are currently not available for some items. For methodological reasons, it was not possible to perform a calculation for these products, e.g. derivatives or consumer loans to private individuals (see ESRS 2 BP-2.10-13). Where they form part of the portfolios included in the calculation, these items are shown in the above table under "Out of scope".

The breakdown of volumes by PCAF asset class has changed significantly compared with the previous year. As the internal classification of "commercial real estate financing" has been enhanced, numerous items have now been reclassified under the PCAF asset class "commercial real estate financing". This has led to an increase in the volume of this portfolio accompanied by a reduction in "business loans and unlisted equity". The volume of the sovereign debt portfolio has also increased, primarily because some bonds from the "listed equity and corporate bonds" asset class have now been reclassified as sovereign debt. Emissions from leases are reported as financed emissions. These transactions are calculated without pro rata attribution, but instead with the full allocation of the emissions of the financed properties (in accordance with the GHG Protocol standard).

Hypo Vorarlberg is keen to permanently improve data quality in order to ensure the continued consistency of the calculation and to continuously improve coverage. These efforts included the addition of the PCAF asset class "project finance". Further measures to improve data quality and availability, e.g. in relation to energy performance certificates, have been initiated via internal projects.

Table 2 below shows the financed emissions according to the PCAF asset classes. The monetary volumes are shown in EUR million, the emissions in thousands of metric tons of CO_2 and the emissions intensity in metric tons of CO_2 per EUR million. The data quality score ranges from 1 to 5, with 1 indicating high data quality and 5 indicating low data quality. The data quality score is aggregated on a volume-weighted basis in accordance with the PCAF methodology. In the current reporting year, the data quality scores for Scope 1, Scope 2 and Scope 3 are aggregated separately for the first time. Last year, the data quality scores for Scope 1 and Scope 2 were reported together, with the Scope 1 data quality scores serving as the basis of calculation.

Total volume disaggregated by PCAF asset class

PCAF asset class	Volume in EUR million	Financed emissions in thousands of metric tons of CO_2			Emissions intensity	Data quality score		
		Scope 1+2	Scope 3	Scope 1+2+3	t CO2/EUR million	Scope 1	Scope 2	Scope 3
Listed equity and corporate bonds	418.99	7.23	50.76	57.99	138.40	2.14	2.14	2.14
Business loans and unlisted equity	3,981.82	219.80	448.10	667.90	167.74	3.83	3.83	3.84
Commercial real estate financing	6,360.06	89.14	-	89.14	14.02	4.81	4.81	-
Mortgages	1,761.28	22.80	-	22.80	12.94	4.83	4.83	-
Motor vehicle loans	39.32	19.04	-	19.04	484.40	3.78	4.00	-
Project finance	28.57	24.47	4.52	28.99	1,014.53	4.65	4.65	4.65
Sovereign debt	926.35	-	-	-	-	-	-	-
Excluding LULUCF[11]	-	131.89	71.51	203.41	224.13	1.92	4.00	4.00
Including LULUCF	-	132.04	71.51	203.55	224.29	1.92	4.00	4.00
Total [12]	**13,516.39**	**514.37**	**572.71**	**1,086.81**	**80.70**	**4.24**	**4.38**	**3.74**

Looking at the overall portfolio, 1,089,260 metric tons of CO_2 are financed, comprising 514,370 metric tons of CO_2 in Scope 1 and 2 emissions from the financed counterparties and 574,900 metric tons of CO_2 in Scope 3 emissions from the counterparties. The reduction in financed emissions is primarily due to the reclassification of transactions to the "commercial real estate financing" asset class, whose emission factors are typically significantly lower than those of the "business loans and unlisted equity" asset class. As a result, the increase in "commercial real estate financing" is considerably smaller than the decline in "business loans and unlisted equity". The weighted average data quality score for Scope 1 and 2 was 4.02 in 2024. In 2025, the score for Scope 1 rose to 4.24 and the score for Scope 2 to 4.38, reflecting a deterioration in data quality. This is due in particular to the reduced availability of energy performance certificate data for real estate financing. By contrast, the data quality score for Scope 3 improved from 3.95 to 3.74.

As illustrated in table 2, there are some considerable differences between the asset classes when it comes to emissions intensity and the available data. These indicate potential for improvement in data availability and collection, as well as offering starting points for decarbonisation levers. The accounting of financed emissions represents a starting point for Hypo Vorarlberg as it seeks to define a realistic, fact-based transition plan.

Table 3 below also shows the financed emissions, emissions intensities and data quality scores compared to the base year 2024. The figures shown are for 2025 and 2024 respectively. For financed emissions and emissions intensities, the percentage change is also shown. In the previous year, the data quality score for Scope 1 and Scope 2 was calculated on the basis of Scope 1, meaning that the 2024 score can be used as a benchmark for Scope 1 in 2025. A direct comparison of the Scope 2 results is therefore not possible.

Comparison with the previous year disaggregated by PCAF asset class

PCAF asset class	Volume in EUR million	Financed emissions in thousands of metric tons of CO_2 (Scope 1-3)			Emissions intensity in t CO_2/EUR million			Data quality score			
								Scope 1 Scope 1+2		Scope 3	
		2025	2024	Change compared to previous year	2025	2024	Change compared to previous year	2025	2024	2025	2024
Listed equity and corporate bonds	418.99	57.99	28.87	101.00%	138.40	61.50	125.07%	2.14	1.69	2.14	1.74
Business loans and unlisted equity	3,981.82	667.90	940.94	-29.00%	167.74	139.97	19.89%	3.83	4.09	3.84	4.10
Commercial real estate financing	6,360.06	89.14	74.76	19.19%	14.02	19.52	-28.16%	4.81	4.59	-	-
Mortgages	1,761.28	22.80	19.44	17.27%	12.94	11.47	12.82%	4.83	4.08	-	-
Motor vehicle loans	39.32	19.04	12.34	54.32%	484.40	342.38	41.55%	3.78	3.76	-	-
Project finance	28.57	28.99	-	-	1,014.53	-	-	4.65	-	4.65	-
Sovereign debt	926.35	-	-	-	-	-	-	-	-	-	-
Excluding LULUCF[1]	-	203.41	308.57	-34.05%	224.13	424.98	-47.22%	1.92	1.78	4.00	4.00
Including LULUCF	-	203.55	302.93	-32.77%	224.29	417.21	-46.22%	1.92	1.78	4.00	4.00
Total	**13,516.39**	**1,089.26**	**1,384.93**	**-21.36%**	**80.70**	**102.74**	**-21.45%**	**4.24**	**4.02**	**3.74**	**3.95**

CORPORATE FINANCING

The business loans and unlisted equity asset class accounts for the second-largest share of the financing analysed. This comprises business loans where the utilisation of funds is unknown (e.g. working capital loans) and unlisted equity investments. With a volume of EUR 3,981.82 million, 29.5% of the financing volume analysed is allocated to this asset class. The data quality score of 3.83 for Scope 1 and 2 and 3.84 for Scope 3 reflects the low availability of reported and verified emissions data. In the case of loans to small and medium-sized enterprises (SMEs) in particular, the financed emissions must increasingly be approximated using emission factors. Emissions from the financing of movable assets (excluding vehicles) at the leasing companies are reported as financed emissions in the PCAF asset class "Business loans". The calculation is based on the Scope 3.13 lessee-specific method and uses PCAF emission factors. As described, efforts are being made to continuously enhance the supply of emissions data in future reporting periods. In contrast to the "Business loans and unlisted equity" asset class, the pool of available emissions data

[11] LULUCF stands for the land use, land-use change and forestry sector.
[12] Emissions in connection with government bonds have been assigned exclusively to LULUCF in full.

in the "Listed equity and corporate bonds" asset class is significantly larger. The weighted data quality score of 2.14 for Scope 1+2 and Scope 3 clearly illustrates the high availability and usability of emissions data for the financed counterparties. This is partly due to the fact that listed companies have already published emissions data in the past, making it possible to incorporate this into the calculation of financed emissions through research or with the help of commercially available databases. At EUR 418.99 million, listed equity and corporate bonds are the fifth-largest asset class.

REAL ESTATE FINANCING

Real estate financing is reported in the "Commercial real estate" and "Mortgages" asset classes. Emissions from the financing of real estate at the leasing companies are reported as financed emissions in the PCAF asset class "Commercial real estate". The calculation methodology corresponds to that of Scope 3.13. (no use of attribution factors, i.e. the total relevant emissions of the financed properties are accounted for).
The calculation includes emissions resulting from the operation and use of the properties (Scope 1 and Scope 2). Life cycle emissions (Scope 3) are not included in the calculation of financed emissions for properties in accordance with the PCAF methodology.

The "real estate property financing" asset class comprises financing for the construction and/or purchase of commercial real estate and accounts for the largest share of the financing analysed. It was possible to calculate the financed emissions for a total volume of EUR 6,360.06 million. Due to the low availability of actual energy consumption data, the data quality score for Scope 1 and Scope 2 is 4.81. The data quality score deteriorated slightly compared to the previous year due to reduced data availability following the internal recoding of energy performance certificates. Approximating the financed emissions using average values for large-scale real estate projects leads to relatively low emissions intensities in certain sub-portfolios. Hypo Vorarlberg is keen to reduce this uncertainty in the following years by using real data.
The "Mortgages" asset class includes financing for the construction and/or purchase of residential real estate. In accordance with the PCAF methodology, this asset class includes financing used for residential purposes and not for commercial purposes. It was possible to calculate the financed emissions for a volume of EUR 1,761.28 million. This corresponds to 100% of the financing included in the calculation. The data quality score for Scope 1 and 2 is 4.83. In the case of mortgages, too, the decline in the data quality score is attributable to the reduced data availability.

MOTOR VEHICLE LOANS

Emissions from the financing of vehicles at the leasing companies are reported as financed emissions in the PCAF asset class "Motor vehicle loans". The calculation methodology corresponds to that of Scope 3.13. (no use of attribution factors, i.e. the total relevant emissions of the financed properties are accounted for). Within this asset class, 19,040 metric tons of CO_2 are financed. At 484.40 metric tons of CO_2 per EUR million, the emissions intensity is the second highest in the portfolio. In a similar way to real estate financing, only the emissions from the operation of the vehicles are calculated in accordance with the PCAF methodology, whereas no Scope 3 emissions are calculated. Depending on the type of drive, these are either Scope 1 emissions (combustion engines) or Scope 2 emissions (electric motors). The data quality score is 3.78 for Scope 1 and 4.00 for Scope 2.

PROJECT FINANCE

The "project finance" asset class comprises loans and investments in specific projects, such as power stations and infrastructure projects. These account for only a small proportion of the Bank's portfolio. As there is very little data available on actual emissions for this asset class, the data quality scores are 4.65 for Scope 1+2 and 3. Accordingly, both revenue-based and balance sheet-based factors (data quality score 4) and asset emission factors (data quality score 5) are used to calculate the financed emissions. Due to the composition of the portfolio, emission factors from the energy sector are frequently used. These are very high (compared with other industries), resulting in project financing having a high emissions intensity. This explains why this portfolio has the highest emissions intensity of all asset classes – 1,014.53 t CO_2/EUR million.

SOVEREIGN DEBT

The "Sovereign debt" asset class includes investments in government bonds and bonds issued by supranational institutions (e.g. development banks). The weighted data quality score is 1.92 for Scope 1 and 4.00 for Scope 2 and Scope 3. For sovereign debt in particular, it was possible to perform the calculation with the highest data quality level, as the national emissions inventories published by governments were used to calculate the financed Scope 1 emissions. Emissions for sovereign debt were calculated according to the PCAF methodology including and excluding land use, land-use change and forestry. The presentation in table 2 is therefore also based on two separate figures. The financed emissions amount to 203,550 metric tons of CO_2 including the land use, land-use change and forestry sectors, or 203,410 metric tons of CO_2 if those sectors are excluded. Emissions excluding land use, land-use change and forestry are used in the aggregation at overall level.

47) Disclosure of significant changes to the reporting undertaking and its value chain and their effect on the comparability of reported GHG emissions

See ESRS 2 BP-2.10-13.

39b) Discussion of the approach to the information required by paragraph 44 for reporting GHG emissions

See ESRS 2 BP-2.10-13.

AR 42c) Disclosure of GHG-relevant events between the reporting dates
See ESRS 2 BP-2.10-13.

AR 45d) Location-based and market-based methods to calculate Scope 2 GHG emissions and information on the share and types of contractual instruments

Scope 2 (market-based)	Share of renewable energy sources	Consumption (kWh)	Share	CO_2e in t
Own heat supply agreements	79.1%	181,305	6.2%	4
Third-party heat supply agree-	39.2%	382,113	13.0%	16
Direct electricity supply agree-	99.8%	2,254,876	77.0%	0
Third-party electricity supply	81.7%	60,731	2.1%	4
Electricity supply for e-mobility	95.0%	50,351	1.7%	0
Total purchased energy		2,929,377		24

Scope 2 (location-based)	Consumption (kWh)	Share	CO_2e in t
District heating (average for AT)	324,959	11.1%	39
District heating (renewable)	238,460	8.1%	6
Location-based electricity (AT)	2,197,557	75.0%	270
Location-based electricity (CH)	71,768	2.4%	2
Location-based electricity (IT)	96,634	3.3%	28
	2,929,377		345

*Energy costs for common areas (stairwells, lifts, garages) are allocated on a pro rata basis via service charges.

Direct supply agreements with regional energy suppliers account for 95.3% of the electricity purchased. The share of emissions from this source amounts to 0 metric tons of CO_2. The remaining share of 4.7% is attributable to common areas in multi-party buildings on a pro rata basis and mostly relates to supply agreements with the relevant property management companies or housing communities or to purchased electricity for e-mobility. This accounts for GHG emissions of 4 metric tons of CO_2.
Heat supply depends on the respective heat suppliers and their heat production, which varies significantly from region to region.

43c, e, j, 45e) Disclosure of biogenic CO_2 emissions from the combustion or biodegradation of biomass separately from the Scope 1+2+3 GHG emissions, but including emissions of other types of GHG (CH_4, N_2O)
There are no biogenic CO_2 emissions from the combustion or biodegradation of biomass in the upstream or downstream value chain that require separate disclosure from the Scope 3 gross greenhouse gas emissions. Emissions of other types of greenhouse gases (such as CH_4 and N_2O) as well as CO_2 emissions occurring in the life cycle of biomass other than from combustion or biodegradation (such as greenhouse gas emissions from processing or transport of biomass) should be included in the calculation of Scope 3 greenhouse gas emissions; greenhouse gas emissions are always reported as greenhouse gas equivalents.

Other greenhouse gases (such as CH_4 and N_2O) should also be taken into account. Similarly, CO_2 emissions resulting from the use of biomass other than from combustion or biodegradation must be taken into account, e.g. emissions from processing and transport. All of these emissions are classified as Scope 3 emissions and are always expressed in terms of greenhouse gas equivalents.

AR 46g) Disclosure of gross Scope 3 GHG emissions
For information on the Bank's own business operations, see ESRS 2 BP-2.10-13. For information on the downstream value chain (Scope 3.15), see E1-6 AR 41 above.

AR 46h) Disclosure of reporting boundaries, calculation methods and calculation tools for each Scope 3 GHG category
See ESRS 2 BP-2.10-13.

AR 46i) List of Scope 3 categories included in and excluded from the inventory, including reasons
The following categories were included in the calculation: Scope 3.13, 3.15. The most significant Scope 3 categories for financial institutions were calculated in the current reporting period and are shown numerically in the table above. A zero value is shown for categories not included/calculated.

AR 46j) Disclosure of biogenic CO_2 emissions in the value chain from the combustion or biodegradation of biomass separately from Scope 2 GHG emissions. Other types of GHG (in particular CH_4 and N_2O) must nevertheless be taken into account in Scope 2
No biodegradation or combustion of biomass takes place.

53-54) Greenhouse gas emissions intensity, location-based and market-based (total GHG emissions per net revenue)
The following table shows the net revenue/GHG emissions. The GHG emissions per monetary volume for each asset class are shown under E1-6.AR 41.

Group	2025	2024
Total GHG emissions (location-based) per net revenue (t CO_2/EUR thousand)	20.59	32.80
Total GHG emissions (market-based) per net revenue (t CO_2/EUR thousand)	20.58	32.79
Total net revenue in EUR thousand (in the financial statements)	53,248	42,450

55) Disclosure of the reconciliation of net revenue (GHG intensity reference value required by paragraph 53) to the relevant line item or notes in the financial statements
AR 55) The reconciliation of the net revenue used to calculate GHG intensity to the relevant line item or notes in the financial statements (as required by paragraph 55) may be done by either:
AR 55a) a cross-reference to the related line item or disclosure in the financial statements
See net income for the year in section I, "Consolidated financial statements (IFRS)", statement of comprehensive income (income statement).

DISCLOSURE REQUIREMENT E1-7 – GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

OWN BUSINESS OPERATIONS & DOWNSTREAM VALUE CHAIN

56a, 57a-b) Disclosure of GHG removals and storage in own projects or in the value chain (t CO_2)
No projects for GHG removal or storage were developed within the company's own operations or value chain, nor were any such projects contributed to.

AR 58e) Marking of GHG removal activities that are converted into carbon credits and sold
There were no GHG removal activities within the company's own operations or value chain that were converted into carbon credits and sold to other parties on the voluntary market.

56b) Disclosure of GHG emission reductions or removals from projects outside the value chain financed through carbon credits
AR 62) Disaggregation of carbon credits to be reported in accordance with paragraph 56b
59a) Detailed information on carbon credits (table from AR 64)
Where no metric information was provided, it was not possible to record the corresponding figures.

Carbon credits cancelled in the reporting year (%)	2025	2024
Share from removal projects	36	55
Share from reduction projects	64	100
Recognised quality standard Gold Standard VER	0	21
Recognised quality standard TÜV Austria	36	50
Recognised quality standard University of Natural Resources and Life Sciences, Vienna	64	5
Recognised quality standard Plan Vivo	0	24
Share from projects within the EU	36	71
Share of carbon credits that qualify as corresponding adjustments	0	0
Total (absolute)	1,567	1,865

59b) Information on carbon credits planned to be cancelled in future:
No carbon credits are currently planned to be cancelled in future.

60) Disclosure of scope, methodologies, frameworks and neutralisation of residual GHG emissions where a net zero target is disclosed
Hypo Vorarlberg is not currently pursuing a net zero target.

61a-c) Discussion of the company's carbon neutrality through the use of carbon credits
Hypo Vorarlberg does not pursue carbon neutrality through the use of carbon credits.

DISCLOSURE REQUIREMENT E1-8 – INTERNAL CARBON PRICING

OWN BUSINESS OPERATIONS

63a) Disclosure of internal carbon pricing schemes that influence decision-making and climate strategies
Hypo Vorarlberg has not yet implemented an internal carbon pricing scheme, as its operating activities and business model cause comparatively low direct CO_2 emissions (Scope 1 and 2) and the indirect emissions (Scope 3) result primarily from the financing and investment portfolio.

ESRS E4: BIODIVERSITY AND ECOSYSTEMS

STRATEGY

DISCLOSURE REQUIREMENT SBM 3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

OWN BUSINESS OPERATIONS

16a) List of locations operated by Hypo Vorarlberg, including locations under operational control based on the results of E4-17a 1.17a). The undertaking makes the following disclosures with regard to these locations:

Location type	Location	Address	Risk
Branch	Bregenz head office	Hypo-Passage 1, 6900 Bregenz, Austria	4
Branch	Bludenz	Am Postplatz 2, 6800 Bludenz, Austria	2
Branch	Dornbirn	Rathausplatz 6, 6850 Dornbirn, Austria	4
Branch	Egg	Wälderpark 940, 6863 Egg, Austria	4
Branch	Feldkirch	Neustadt 23, 6800 Feldkirch, Austria	2
Branch	Lech	Dorf 138, 6764 Lech, Austria	2
Branch	Rankweil	Ringstrasse 11, 6830 Rankweil, Austria	4
Branch	Feldkirch Hospital	Carinagasse 47-49, 6800 Feldkirch, Austria	2
Branch	Riezlern	Walserstrasse 31, 6991 Riezlern, Austria	3
Branch	Dornbirn Exhibition Centre	Messestrasse 2, 6850 Dornbirn, Austria	4
Branch	Vienna	Brandstätte 6, 1010 Vienna, Austria	4
Branch	Götzis	Hauptstrasse 4, 6840 Götzis, Austria	4
Branch	Schruns	Jakob Stember Weg 2, 6780 Schruns, Austria	2
Branch	Lustenau	Kaiser-Franz-Josef-Strasse 4a, 6890 Lustenau, Austria	4
Branch	Höchst	Hauptstrasse 25, 6973 Höchst, Austria	4
Branch	Hohenems	Bahnhofstrasse 19, 6845 Hohenems, Austria	4
Branch	Graz	Joanneumring 7, 8010 Graz, Austria	3
Branch	Wels	Kaiser-Josef-Platz 49, 4600 Wels, Austria	3
Branch	Salzburg	Strubergasse 30, 5020 Salzburg, Austria	4
Branch	St. Gallen	Bankgasse 1, 9004 St. Gallen, Switzerland	4
Office building	Hypo Office Bregenz	Bahnhofstrasse 14, 6900 Bregenz, Austria	4
Office building	BAH	Bahnhofstrasse 17+19, 6900 Bregenz, Austria	4
Document storage facility	Mäser	Landwehrstrasse 2, 6900 Bregenz, Austria	4
Furniture storage facility	Schindler	Wuhrkopfweg 1, 6921 Kennelbach, Austria	4
Training facility	Dornbirn	Poststrasse 11, 6850 Dornbirn, Austria	4
Office building	Hypo Immobilien & Leasing GmbH	Poststrasse 11, 6850 Dornbirn, Austria	4
Office building	Hypo Vorarlberg Leasing AG	Galileo-Galilei-Strasse 10 H, 39100 Bolzano, Italy	2
Office building	Hypo Vorarlberg Leasing AG	Viale Fratelli Rosselli 14, 22100 Como, Italy	4

The materiality analysis found that the topic of "biodiversity and ecosystems" is not material in relation to Hypo Vorarlberg's own business activities. This assessment was confirmed by the analyses conducted (see E4 SBM 3.16a.ii-iii, b, c).

16ai) Disclosure of activities negatively affecting biodiversity
Material negative impacts on biodiversity can result from a financial institution's own business operations and its core business. In particular, the financing of projects that are harmful to the environment can have a negative impact on aspects of biodiversity. A comprehensive NCNR analysis was conducted to evaluate the specific impacts and dependencies of business activities in relation to biodiversity (see ESRS 2 BP-2.10-13). An analysis of the Bank's portfolios was carried out (see E4-1.13a-f).

16aii-iii, b, c) List of locations disaggregated by the identified impacts and dependencies and the environmental status of the areas in which they are located
The assessment was performed on the basis of the address data for the locations and office buildings using the publicly available WWF Risk Filter, 6.2. Key Biodiversity Areas[13]. The result is shown in the table under E4-16a: Risk (0 = n/a, 1 = very low; 6 = very high).

The results of the analysis show that:

- 13% of the locations have a very low risk
- 9% of the locations have a low risk
- 78% of the locations and office buildings have a medium risk
- None of the locations are in high/very high risk areas.

[13] https://riskfilter.org/biodiversity/explore/map.

As the branches and office buildings operated by Hypo Vorarlberg are located solely in urban areas that are already developed, they have no negative impact on biodiversity and ecosystems.

NATURA 2000

Natura 2000 is a Europe-wide network of protected areas designed to safeguard natural habitats. The assessment was conducted using the publicly accessible "Natura 2000 Viewer" of the European Environment Agency (managed by the European Commission)[14] based on the address data of the locations and office buildings. The analysis carried out confirmed that none of the locations or office buildings are in Natura 2000 areas.

DISCLOSURE REQUIREMENT E4-1 – TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN STRATEGY AND BUSINESS MODEL

DOWNSTREAM VALUE CHAIN

13a-f) Description of the resilience of the strategy and business model in relation to biodiversity and ecosystems

Hypo Vorarlberg understands the resilience analysis as a systematic assessment of unexpected changes, crises and risks with the aim of evaluating and improving its resilience. As the analysis was conducted solely on the basis of the Bank's own portfolio, no external stakeholders were involved. The results were discussed internally with the relevant specialist departments and the Managing Board.

A complete risk inventory is a prerequisite for mapping risks. This ensures the comprehensive mapping of all material risks. The ICAAP risk inventory, the ILAAP risk inventory and the risk inventory for sustainability risks are carried out annually by Group Risk Controlling when the risk strategy is revised. With regard to quantification, the focus is currently on climate risks in accordance with the guidelines of the Austrian Financial Market Authority (FMA) and the European Banking Authority (EBA) report.

Risks related to biodiversity and ecosystems were analysed for the first time in 2023 as part of the risk inventory. As the transmission channels were still unclear, the risk was categorised as low at this time. Accordingly, the Bank's portfolios – including lending and financing portfolios and own-account investments – were subjected to a detailed analysis (NCNR analysis) in 2024 to determine the extent to which impacts and dependencies exist in relation to biodiversity and ecosystems.

Building on the initial analysis carried out in 2024, a more detailed analysis in line with the FMA guidelines was conducted using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) database in order to assess dependencies on 25 different ecosystem services. ENCORE is a free online database that presents the interdependencies between biodiversity and economic activities in a concise format.[15]

The analysis, which focused on the lending portfolio, identified a moderate to high dependence on multiple ecosystem services in the "agriculture and forestry" and "tourism" industries. It should be noted that "agriculture and forestry" account for only a very small proportion of the lending portfolio (less than 0.3%). In the tourism industry, the portfolio's dependence on individual ecosystem services is reduced by financing customers with a wide range of business models (summer and winter tourism, city hotels operating all year round).

For the "real estate and construction" industry, which accounts for around 40% of the Bank's exposure, the analysis indicates a moderate dependence on visual amenity services. By contrast, there is only weak dependence on the other transmission channels. However, there is not considered to be any significant risk to the Bank in this regard, as the Bank handles a wide range of real estate financing transactions that are highly diversified both geographically and in terms of the properties financed (e.g. detached houses, residential complexes, hotels, warehouses etc.).

For the remaining industries, the ENCORE factors identified only limited dependencies on ecosystem services. The assessment from the risk inventory was confirmed. The existing biodiversity risk to the Bank's business model is therefore still considered to be low in the short and medium term.

In addition, an expanded analysis was carried out in 2025, incorporating a geographical component for the first time. To this end, publicly available data from GLOBIO was subjected to a qualitative analysis to assess vulnerability to ecosystem degradation based on Mean Species Abundance (MSA). MSA is an indicator of the state of biodiversity in a region compared to an undisturbed reference state. The GLOBIO analysis incorporates three combined future scenarios that link socioeconomic development pathways (SSPs) with climate scenarios (RCPs). The results of the analysis are scheduled to be evaluated in the first quarter of 2026.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT E4-2 – POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

22) Policies to manage material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems in accordance with ESRS 2 MDR-P

The following is a list of internal policies and strategies related to biodiversity and ecosystems. They primarily result from the sustainability strategy, which is the central guiding document for all strategies relating to sustainability. The specific implementation and operationalisation of the sustainability strategy took place in the respective specialist departments. Department-specific issues are addressed and effectively implemented with the help of functional strategies.

- Ethical and sustainable criteria for financing
- ESG investment approach (Asset Management)
- ESG in own-account investments (Treasury: APM & Investments)

"Ethical and sustainable criteria (financing business)" policy
Key content, general objectives, monitoring process, scope, responsible organisational level, reference to standards or third-party initiatives, consideration of stakeholder interests, availability of the policy to stakeholders
The data points listed above are the same for all environmental standards, regardless of the specific topic. These are formulated in full under data point E1-2 "Ethical and sustainable criteria (financing business) policy".
References to material impacts, risks or opportunities

[14] https://natura2000.eea.europa.eu/.
[15] https://www.encorenature.org/en.

The topic-specific management of material impacts (positive and negative), risks and opportunities is performed by applying positive criteria and exclusion criteria or by taking sensitive areas into account. In the case of material risks, risk aspects are also taken into account. Where possible, market opportunities are expressed in the form of sustainability aspects in the existing or future product range. The specific references to the material impacts and opportunities are currently as follows: E28, E29, E30 and E31.

"ESG investment approach (Asset Management)" policy
Key content, general objectives, monitoring process, scope, responsible organisational level, reference to standards or third-party initiatives, consideration of stakeholder interests, availability of the policy to stakeholders
The data points listed above are the same for all environmental standards, regardless of the specific topic. These are formulated in full under data point E1-2 "ESG investment approach (Asset Management) policy".
References to material impacts, risks or opportunities
The topic-specific management of material impacts (positive and negative) and opportunities is performed in the individual components of Hypo Vorarlberg's ESG rating. This is composed of selection criteria, norm-based screening, a best-in-class approach (orientation towards climate targets, measurable impact on SDGs, controversial economic practices, corporate governance, ESG risk rating) and the country risk for sovereign debt. The specific references to the material impacts and opportunities are currently as follows: E28, E29, E30 and E31.

"ESG in own-account investments (Treasury: APM & Investments)" policy
Key content, general objectives, monitoring process, scope, responsible organisational level, reference to standards or third-party initiatives, consideration of stakeholder interests, availability of the policy to stakeholders
The data points listed above are the same for all environmental standards, regardless of the specific topic. These are formulated in full under data point E1-2 "ESG in own-account investments (Treasury: APM & Investments) policy".
References to material impacts, risks or opportunities
The topic-specific management of material impacts (positive and negative) and opportunities is performed in the individual components of the ESG rating in accordance with the "ESG in own-account investments" policy as shown under "Key content". The specific references to the material impacts and opportunities are currently as follows: E28, E29, E30 and E31.

23a) Discussion of biodiversity and ecosystems-related policies in connection with the aspects specified in ESRS E4-AR 4
The topics of biodiversity and ecosystems are taken into account in various policies at Hypo Vorarlberg (see above). All of the influencing factors specified in ESRS E4-AR4 were assessed as part of the materiality analysis and, where they corresponded to Hypo Vorarlberg's business model, were analysed. Factors that are not applicable to credit institutions or that cannot be identified and controlled were not followed up. Comprehensive analyses of the dependency on and impact of biodiversity and ecosystems were carried out at industry level for the lending portfolio in 2025 (see NCNR, E4 IRO-1.17a, ESRS 2 BP-2.10-13). The topics of i) climate change in E1 and ii) land-use change from the perspective of investment and financing in E4 were included in the policies.
Hypo Vorarlberg integrates biodiversity and ecosystems into the strategic orientation of its core business through topic-specific positive criteria, exclusion criteria and selection criteria and by taking account of sensitive areas. For example, financing that seeks to achieve the environmental objectives of the EU taxonomy (e.g. the protection and restoration of biodiversity) is particularly desirable. By contrast, financing with characteristics that are harmful to the environment or the climate (e.g. timber extraction from primary forests, deep-sea fishing that endangers fish stocks) requires particular scrutiny. The aim is to minimise negative impacts and risks and pursue positive opportunities.

23b) Discussion of material biodiversity and ecosystems-related impacts
The identified impacts "Doing business with companies in resource-intensive and environmentally harmful industries contributes to the loss of biodiversity by destroying natural habitats", "Transactions in industry and real estate, as well as with companies that damage ecosystems, contribute to species extinction and endanger animal and plant species" and "Transactions that support sustainable agriculture and forestry as well as environmental projects protect and create habitats for biodiversity" are taken into account in the department-specific policies. In this way, Hypo Vorarlberg seeks to contribute directly to preventing the reduction in biodiversity. Characteristics of financing that are potentially harmful to the environment or the climate are also addressed. International standards are taken into account in the asset management portfolio and norm-based screening is applied. In the own-account investment portfolio, positive criteria are applied in order to prevent potential negative impacts in all areas, including biodiversity and the condition of ecosystems.

23c) Discussion of material interdependencies between physical and transition risks and opportunities related to biodiversity and ecosystems
Hypo Vorarlberg has identified a reputational opportunity in "transactions involving environmental projects and protective measures to conserve ecosystems and biodiversity". This opportunity is already being pursued through the policies implemented. In the area of credit management, positive criteria are applied in line with the environmental objectives of the EU taxonomy in order to promote the conservation, protection and restoration of biodiversity. Asset Management has implemented the best-in-class approach in order to track measurable impacts on the SDGs. The own-account investment portfolio is based on positive criteria that require the presence of two characteristics. Compliance with principles for green and social bonds and classification by an external sustainability agency as a "second party opinion".

23f) Inclusion of social consequences of biodiversity and ecosystems-related impacts
No social consequences or biodiversity and ecosystems-related impacts were identified. Nevertheless, Hypo Vorarlberg's investment and financing policies are based on international agreements and standards in the areas of human rights, labour standards, the environment and corruption prevention (including the UN International Bill of Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work and the UN Global Compact; for further examples, see E1-2).

24) Specific disclosure of whether the undertaking has adopted
24a) Biodiversity and ecosystem protection policies covering operational sites in or near a protected area or a biodiversity sensitive area
In the current reporting period, Hypo Vorarlberg examined all of its locations to determine whether they are located near a protected area or a biodiversity sensitive area. The analysis found that none of the locations meet these criteria, meaning there is no need to adapt or introduce a separate policy (see E4 SBM 3.16a.ii-iii, b, c).

24b-d) Sustainable practices or policies relating to oceans/seas, land use and agriculture, and addressing deforestation
Topic-specific practices (exclusion criteria, positive criteria and sensitive areas) have a general effect, meaning they also apply to land use and agriculture: Financing with characteristics that are harmful to the environment or the climate (e.g. timber extraction from primary forests) requires particular scrutiny. No special strategies are currently planned.

DISCLOSURE REQUIREMENT E4-3 – ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

27) Actions and resources in relation to biodiversity and ecosystems in accordance with ESRS 2 MDR-A
The following is a list of actions related to biodiversity and ecosystems. Actions for biodiversity and ecosystems can be derived on the basis of the topic-specific requirements addressed in the sustainability strategy. The respective specialist departments are responsible for defining and implementing the individual actions. Most of these are also set out in separate policies or work instructions.

Financing business

Key measures

Taken

The individual measures cover the most important criteria as outlined below (positive criteria and sensitive areas) for reviewing and evaluating potential financing in respect of sustainability aspects and establishing material references to the topic-specific standard E4 Biodiversity and ecosystems:

- In the case of financing of new business and extensions for existing customers, the positive criteria of the sixth environmental objective of the EU taxonomy are applied:
  - Protection and restoration of biodiversity and ecosystems
- Defined exclusion criteria for financing (e.g. environmental degradation) have been implemented:
  - Exclusion of coal mining (no direct project financing for coal mining projects)
  - Construction and operation of nuclear power plants (no direct project financing for nuclear power projects)
- In addition, sensitive areas for potential financing that are subject to more extensive scrutiny are defined:
  - Controversial business areas:
    Transactions involving fossil fuels (oil and gas extraction through fracking, oil extraction from tar sands)
  - Controversial environmental practices:
    Disregard of generally recognised environmental minimum standards or rules of conduct by large-scale projects (e.g. timber extraction from primary forests, use of genetically modified seeds in agriculture, deep-sea fishing that endangers fish stocks)
    Flagrant disregard of environmental laws
  - Controversial business practices:
    Flagrant disregard of statutory provisions
- Extended NCNR analysis to derive specific measures: The evaluation of the individual industry sectors delivered an initial indication of potential risks and opportunities in the lending portfolio. In order to derive specific measures in this area, Hypo Vorarlberg conducted an in-depth analysis including geographical data at country level (see E4-1).

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of biodiversity and ecosystems is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and applying them continuously to all financing. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

Expected results concerning environmental risks (NCNR analysis)
Based on the analysis initiated in 2024, a methodology has been developed that will enable the company to identify potential areas of action for the portfolios in the coming years in order to minimise material negative impacts and risks, support positive impacts and pursue opportunities in the environmental topics (air pollution, biodiversity and circular economy). To this end, the analysis must be applied at least once a year in order to periodically evaluate Hypo Vorarlberg's lending portfolio for environmental risks and to integrate the pool of data from publicly available databases, which are continuously updated and expanded.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "Ethical and sustainable criteria for financing" policy, which essentially aims to take into account the impact of financing on the environment, the climate and people. The specific references to the material impacts and opportunities are currently as follows: E28, E29, E30 and E31.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply throughout the Group. The planned measures will also cover the entire value chain.

Time horizon

The measures taken have a long-term time horizon (more than five years). The planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (PDCA) and adjusted as necessary.

Key remedial measures

The measures taken have a preventive effect. No further remedial measures are linked to the provision of financing.

Progress

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Asset management

Key measures

Taken

The following measures taken include the procedure for determining Hypo Vorarlberg's ESG rating in the area of investment strategies and in the selection of target funds. The measures also cover the measurement and controlling of potential negative impacts on the sustainability factors for investments:

- Application of defined selection criteria for direct and indirect investments in companies that exceed revenue thresholds (see E1-3) in certain business areas:
  - Transactions involving fossil fuels (oil and gas extraction through fracking, oil extraction from tar sands)
  - Exclusion of investments by companies that cause significant emissions of air pollutants (such as the coal industry)
  - Loss of biodiversity due to certain industries (use of genetic engineering in agriculture, tobacco industry)
- Implementation of norm-based screening: When making investment decisions, no investments are made in companies that violate international norms and standards in the areas of human and labour rights, the environment and corruption. Companies are also categorised as "compliant", "watchlist" or "non-compliant". Companies categorised as "non-compliant" are not selected for investment.
- The application of the best-in-class approach takes the following areas into account:
  - Orientation towards climate targets: The extent to which a company's projected greenhouse gas emissions deviate from the individual tolerance limit for the global 1.5°C target is examined. The result is a projected temperature rise by 2050.
  - Companies that have a measurable impact on one or more of the United Nations SDGs[16] (e.g. zero hunger, good health and well-being, quality education, life on land and below water, sustainable cities and communities, responsible consumption and production) have a better rating
  - Companies without controversial incidents with a potentially negative impact on stakeholders, the environment or operations have a lower risk and hence a better rating.
  - Companies with good corporate governance (e.g. composition of the Managing Board, wages and salaries, stakeholder treatment) have a better rating.
  - Companies that are only exposed to low ESG risks or a small number of ESG risks have a better rating (risk exposure and risk management), including taking the LCTR (= implied temperature alignment) into account.
- In the case of sovereign debt, only bonds with a medium risk (at least C-) on a rating scale of A-E are authorised in order to limit potential negative impacts. The country risk rating is supplied by an external service provider and is included in the overall assessment of the Hypo ESG rating.
- Measurement and management of the principal adverse impacts (PAIs) on sustainability factors through the publication of the PAI statement
- Annual ESG screening of the Hypo Vorarlberg funds by an external service provider to ensure transparency and comparability
- Extended NCNR analysis to derive specific measures: The evaluation of the individual industry sectors delivered an initial indication of potential risks and opportunities in the lending portfolio. In order to derive specific measures in this area, Hypo Vorarlberg conducted an in-depth analysis including geographical data at country level (see E4-1).

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of biodiversity and ecosystems is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and continuously applying them to the entire securities selection process. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

Expected results concerning environmental risks (NCNR analysis)

Based on the analysis launched this year, a methodology was developed that will enable the company to identify potential areas of action for the portfolios in the coming years in order to minimise material negative impacts and risks, support positive impacts and pursue opportunities in the environmental topics. To this end, the analysis must be applied at least once a year in order to periodically evaluate Hypo Vorarlberg's asset management portfolio for environmental risks and to integrate the pool of data from publicly available databases, which are continuously updated and expanded.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "ESG investment approach" policy, which essentially involves promoting sustainable investments and minimising the potential impact of problematic forms of investment on the environment, the climate and people. The measures implemented and planned help to minimise negative impacts and promote positive impacts.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply to the Bank. There are location-specific deviations at the St. Gallen branch.

Time horizon

The measures taken have a long-term time horizon (more than five years). The planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (PDCA) and adjusted as necessary.

[16] https://unric.org/en/united-nations-sustainable-development-goals/.

Key remedial measures
The measures taken have a direct effect. The criteria to be taken into account contribute directly to remedial action.
Progress
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Own-account investments

Key measures

Taken

The individual measures cover the most important criteria as outlined below for reviewing and evaluating potential investments in the area of investment decisions (new purchases) in respect of sustainability aspects and establishing material references to the topic-specific standard E4 Biodiversity and Ecosystems:

- Implementation of norm-based screening: When making investment decisions (new purchases), no investments are made in companies that violate international environmental standards and norms. The screening is based on the United Nations Global Compact[17], the OECD Guidelines for Multinational Enterprises[18] and the United Nations Guiding Principles on Business and Human Rights[19].
- Positive criteria are reviewed by checking for the presence of the following two characteristics:
  - Conformity with the Green Bond Principles, the Social Bond Principles, the Sustainability-Linked Bond Principles or the Sustainability Bond Guidelines.
  - Classification as an ESG investment and provision of a second party opinion by a recognised sustainability rating agency.
- In addition to exclusion criteria, sensitive areas for potential investments that are subject to more extensive scrutiny are defined in order to identify characteristics that are controversial, morally objectionable, or harmful to the climate or the environment (e.g. timber extraction from primary forests, deep-sea fishing that endangers fish stocks).

Compliance with these criteria is reviewed by reference to data from external ESG research partners. If no data is available or the intended use is not known, the valuation is carried out on the basis of available company information.

- Extended NCNR analysis to derive specific measures: The evaluation of the individual industry sectors delivered an initial indication of potential risks and opportunities in the lending portfolio. In order to derive specific measures in this area, Hypo Vorarlberg conducted an in-depth analysis including geographical data at country level (see E4-1).

Planned

The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of biodiversity and ecosystems is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures and continuously applying them to the entire securities selection process. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results

Expected results concerning environmental risks (NCNR analysis)

Based on the analysis launched this year, a methodology was developed that will enable the company to identify potential areas of action for the portfolios in the coming years in order to minimise material negative impacts and risks, support positive impacts and pursue opportunities in the environmental topics (air pollution, biodiversity and circular economy). To this end, the analysis must be applied at least once a year in order to periodically evaluate Hypo Vorarlberg's own-account investment portfolio for environmental risks and to integrate the pool of data from publicly available databases, which are constantly updated and expanded. Engaging in dialogue with companies in accordance with the Principles for Responsible Banking is also expected to raise awareness of environmental risks, which can help to improve the results.

Contribution to the realisation of the objectives and targets of the policy

The measures already taken are consistent with the objective of the "ESG in own-account investments (Treasury: APM & Investments)" policy, which essentially involves promoting sustainable investments and minimising the potential impact of problematic forms of investment on the environment, the climate and people. The measures implemented and planned help to minimise negative impacts, promote positive impacts and allow identified opportunities to be pursued. The specific references to the material impacts and opportunities are currently as follows: E28, E29, E30 and E31.

Scope and area of application

The measures taken are designed to be consistent with the policy and apply throughout the Group. The planned measures will also cover the entire value chain.

Time horizon

The measures taken have a long-term time horizon (more than five years). The planned measures have a short-term perspective (up to 1 year). All measures are regularly reviewed as part of a continuous process (PDCA) and adjusted as necessary.

Key remedial measures

The measures taken have a direct effect. The criteria to be taken into account contribute directly to remedial action.

Progress

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[17] https://globalcompact.at/10-prinzipien.
[18] https://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.html.
[19] https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf.

ESRS 2 69a-c) Disclosure requirements for action plans with significant OpEx and/or CapEx requirements
The allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

28b-c) Disclosure of whether the undertaking used biodiversity offsets in its action plans and provision of relevant information
Hypo Vorarlberg does not currently provide for any biodiversity offsets in its action plans.

METRICS AND TARGETS

DISCLOSURE REQUIREMENT E4-4 – TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

32a-f) Disclosures on whether ecological thresholds and allocations of impacts to the undertaking were applied when setting targets
Hypo Vorarlberg has not defined any measurable and time-bound quantitative targets for biodiversity and ecosystems in accordance with MDR-T in the current reporting period, as no material risks are expected in the short or medium term. Consequently, no thresholds were applied (see ESRS 2.81 a, bi and ii).

ESRS 2.81) If the undertaking has not set any measurable outcome-oriented targets
ESRS 2.81a) Disclosure of whether the undertaking intends to set such targets and the timeframe for doing so, or the reasons why the undertaking does not set such targets
There is no question that financial institutions and companies can have an impact (positive or negative) on biodiversity and ecosystems through their activities. Hypo Vorarlberg therefore addresses the topic of biodiversity and ecosystems on several levels:

STRATEGY
This topic is enshrined in the Group-wide sustainability strategy in order to emphasise its importance for Hypo Vorarlberg. As part of the "Hypo Effect" topics, the focus is on both qualitative and quantitative analyses (for details of the qualitative analysis see E4-3, E4 IRO 1.17a, BP-2.10-13).

PORTFOLIO ANALYSIS
No measurable time-bound targets were defined for the current reporting period, but a comprehensive analysis of the various portfolios was conducted. The analysis covered not only the entire lending and financing portfolio, but also the areas of own-account investments, asset management and the leasing business of the respective subsidiaries. The results not only serve to supplement the assumptions in the materiality analysis, but also directly form the basis for practices that will be evaluated for a potential (strategic) objective in future.

GROUP RISK CONTROLLING
Nature-related risks (biodiversity) are also taken into account in the Group's risk assessment. An analysis of the selected portfolio using ENCORE data shows that the agriculture and tourism industries are affected by biodiversity risks to a significant and moderate extent respectively. Customers in the agriculture industry in particular often depend to a large extent on several ecosystem services at the same time. It is also notable that property developers generally depend on visual amenity services to a large extent, whereas the topic of biodiversity otherwise has a low importance for them. The other industries are largely unaffected by declines in biodiversity. Accordingly, no material risk to biodiversity is anticipated for the Bank in the short and medium term.

ESRS 2.81bi-ii) Disclosure of whether the undertaking tracks the effectiveness of its policies and actions in relation to impacts, risks and opportunities, including the procedures, the targets set and the time periods
The effectiveness of the strategies and actions in relation to impacts, risks and opportunities is ensured by the monitoring process defined in the policies (see E4-2, E4-3). The strategies and actions are reviewed regularly (at least annually) and adjusted as necessary. The monitoring process takes account of various internal stakeholders (specialist departments, the Managing Board and, as part of its regular auditing activities, Internal Audit).

DISCLOSURE REQUIREMENT E4-5 – IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS CHANGE

35) Number and area (in hectares) of biodiversity sensitive areas adversely affected by the undertaking in or near protected areas or key biodiversity areas
Operational sites and office buildings have no negative impact on the aforementioned topics (for details of the approach and analysis see E4 SBM-3.16a.ii-iii, b, c).

ESRS S1: OWN WORKFORCE

STRATEGY

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

14) Disclosure of whether all people in the undertaking's own workforce who are materially affected by the undertaking are included in the ESRS 2 disclosures
The following information relates to all people in Hypo Vorarlberg's own workforce.

14a) Description of the types of employees and non-employee workers in the undertaking's own workforce who are subject to material impacts
The disclosures relate to the group of permanent employees who, as a whole, are potentially or actually affected by the material impacts identified in the materiality analysis. Hypo Vorarlberg does not have any employees who are not covered by employment contracts or who are unpaid.

14b) Disclosures on material negative impacts
14bi) Disclosure of whether material negative impacts are widespread or systemic in contexts in which the undertaking operates
The material negative impacts identified in the materiality analysis potentially affect the Group's entire workforce:

- Poor working conditions can lead to physical and mental health problems, which can affect employees' ability to work and their productivity.
- A lack of development opportunities leads to lower motivation and limited career prospects for employees.
- Discrimination against certain groups of employees and a failure to implement equal treatment measures adversely affect equal opportunities for employees and the working atmosphere and encourage discrimination.

14bii) Disclosure of whether material negative impacts are related to individual incidents
There are no reported and documented incidents in connection with material negative impacts.

14c) Description of material positive impacts on employees and non-employee workers and their identification through the double materiality assessment
HEALTH, SAFETY AND A HEALTHY WORK-LIFE BALANCE PROMOTE EMPLOYEE WELL-BEING, REDUCE HEALTH RISKS AND ENHANCE JOB SATISFACTION AND EQUALITY OF OPPORTUNITY IN THE WORKPLACE
Hypo Vorarlberg cares greatly about its employees' health and well-being. The company's health management system supports employees in the prevention of physical and mental illness. In Austria, the protection of employee health is regulated by law, for example by the Employee Protection Act (ASchG), the Working Hours Act (AZG) and the Rest Periods at Work Act (ARG). Topics relating to employee health and prevention are also addressed by the Health Committee for all of the banking locations in Austria under the motto #gesundmiteinanderarbeiten ("healthy cooperation"; see ESRS 2-2.19 MDR-P and S1-4.38a MDR-A).
A good balance between the various areas of life (work, family and private life) is essential for the health and well-being of employees and a key component of a corporate culture that emphasises diversity and equal opportunities. This makes it easier to retain well-qualified employees who have been with the company for many years. Hypo Vorarlberg currently utilises various family-friendly measures such as parental leave and part-time models, job-sharing models, flexitime, working from home, mobile working, and comprehensive support for employees starting parental leave and returning to work.

PROMOTING SOCIAL SECURITY AND PROTECTING WORKERS' RIGHTS THROUGH COLLECTIVE AGREEMENTS, SOCIAL DIALOGUE, FREEDOM OF ASSOCIATION AND WORKS AGREEMENTS
Hypo Vorarlberg strictly complies with legal requirements (in Austria, these include employment law, the Labour Constitution Act (ArbVG), the ASchG, the AZG, the ARG and collective agreements). A variety of remuneration schemes are applied. The remuneration components, their amount and the payment process are specified on the basis of the principle of equal treatment of all genders, i.e. the same work is rewarded with the same basic salary. In order to review progress in this area, the gender pay gap (see S1-16.97a) is regularly calculated and the company works to continuously reduce it. In addition, various works agreements for all of the banking locations in Austria provide an essential basis for ensuring social security in the area of remuneration.

The subsidiaries and the St. Gallen branch have their own arrangements for this (e.g. crisis intervention teams, health coaches). However, they can also make use of some of the services provided by Hypo Vorarlberg.

INITIATIVES TO REDUCE INEQUALITY PROMOTE EQUAL OPPORTUNITIES AND DIVERSITY, THEREBY STRENGTHENING COHESION WITHIN THE ORGANISATION
Hypo Vorarlberg offers all of its employees the same opportunities and takes care to ensure diversity in its workforce. The Austrian legislator has enshrined equal rights and the prohibition of discrimination in various laws (including the Austrian Labour Constitution Act). Hypo Vorarlberg strictly complies with the law and creates working conditions that enable everyone to contribute to the company and develop to their full potential. Hypo Vorarlberg's Code of Conduct forms the basis for dealing with customers, business partners and employees. It provides an overview of important regulations that support employees when it comes to legal and ethical issues. In particular, this includes the principles of equal treatment and respect for human rights. Hypo Vorarlberg's Code of Conduct applies to all employees at Hypo Vorarlberg's banking locations. The St. Gallen branch and the subsidiaries in Bolzano and Dornbirn apply the Code of Conduct as a guideline and have adapted it to their specific requirements (see MDR-P-2.19).

14d) Disclosure of material risks and opportunities arising from impacts and dependencies in connection with the undertaking's own workforce
The materiality assessment has identified the following material opportunities that both actually and potentially affect the Group's entire workforce (see S1 SBM 3.14a for more details on the types of employees and non-employee workers):

- Reputational opportunity: Creation and maintenance of attractive and secure jobs through fair and equitable working conditions, inclusion, respect and diversity.
- Reputational opportunity: Promotion of employee well-being, satisfaction and a healthy work-life balance.

Hypo Vorarlberg owes its economic success in particular to the expertise, commitment and motivation of its employees. By enabling an appropriate balance between work and private life, providing training and further education and creating attractive and secure jobs, Hypo Vorarlberg can successfully retain its employees, promote their health and optimally support their professional and personal development. This creates the foundations for Hypo Vorarlberg's continued success.

14e) Disclosures on impacts on the undertaking's own workforce from transition plans and actions to reduce carbon emissions
The disclosures relate to the results of the materiality analysis; a transition plan was not implemented for this reporting period.

15) Understanding of whether people with particular characteristics in the undertaking's own workforce may be at greater risk of harm
No distinction was made between the workforce and a group of employees with particular characteristics. The disclosures apply to the entire workforce.

16) Disclosures on which material risks and opportunities relate to specific groups of people in the undertaking's own workforce
In the same way as for S1 SBM 3.15, no distinction is made between the workforce and a group of employees with particular characteristics with respect to material risks and opportunities. The disclosures apply to all employees of Hypo Vorarlberg.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT S1-1 – POLICIES RELATED TO OWN WORKFORCE

19) Policies to manage material impacts, risks and opportunities related to the undertaking's own workforce in accordance with the principles set out in ESRS 2 MDR-P
In terms of material impacts, risks and opportunities, the following policies are particularly relevant for the company's own workforce:

- Hypo Vorarlberg HR strategy
- Code of Conduct: Applies to the entire workforce at Hypo Vorarlberg's banking locations in Austria and Switzerland
- MINDFUL COOPERATION guidelines: Apply to the entire workforce at Hypo Vorarlberg's banking locations in Austria
- Employee manual: Applies to the entire workforce of Hypo Vorarlberg Leasing and Immo Italia in Italy

Hypo Vorarlberg (Group) HR strategy
Key content
The HR strategy, which forms part of Hypo Vorarlberg's business strategy, provides an overview of the strategic objectives that guide the activities of the HR department. The strategy focuses on attracting the best talent and employees and successfully retaining existing employees. The HR strategy is reviewed annually and adjusted as necessary, most recently in the second half of 2025.
General objectives
The HR strategy serves as a framework for HR activities with the primary objective of identifying the best talent and employees and successfully retaining them at Hypo Vorarlberg.
References to material impacts, risks or opportunities
The context for the material impacts, risks and opportunities is determined on the basis of the double materiality analysis and the resulting material topics: S10, S11, S13, S14, S15, S16, S17.
Monitoring process
The HR department, in consultation with the full Managing Board, is responsible for implementing and ensuring compliance with the HR strategy.
Area of application
The HR strategy covers Hypo Vorarlberg's own business operations and applies to all of Hypo Vorarlberg's banking locations in Austria
Responsible organisational level
The HR department, in consultation with the full Managing Board, is responsible for creating and updating the HR strategy and for its implementation.
Consideration of stakeholder interests
The HR strategy is created by the HR department in close consultation with the full Managing Board of Hypo Vorarlberg. Any amendment to this strategy requires the renewed involvement of the aforementioned stakeholders.
Availability of the policy for stakeholders
The HR strategy, which forms part of Hypo Vorarlberg's business strategy, is an internal company document and is available to Hypo Vorarlberg employees on the intranet.

"Code of Conduct" policy
Key content
Hypo Vorarlberg's Code of Conduct provides an overview of important regulations that support employees when it comes to legal and ethical issues. It forms the basis for dealing with customers, business partners and employees by setting out rules, values and principles concerning the conduct of all employees in the Group. The Code of Conduct is reviewed annually and was most recently updated in February 2025. The Code of Conduct is structured in such a way that the relevant topics for employees and customers are set out for each group of recipients. In particular, the following content is documented for employees: ▪ Appropriate remuneration system ▪ Principles of equal treatment and respect for human rights ▪ Channels and measures for open communication with managers ▪ Personal appraisals and feedback ▪ MINDFUL COOPERATION guidelines ▪ Whistleblowing system ▪ Employee representation by the Works Council ▪ Development opportunities through training and further education ▪ Health and safety in the workplace ▪ Models for flexible working hours ▪ Regulations for mobile working and working from home
General objectives
The Code of Conduct acts as a framework for a variety of ESG-relevant topics. It has a clear focus on social issues that affect customers, business partners and employees in particular. Accordingly, the main objective of the Code of Conduct is to protect these groups of people from identified negative impacts and risks to the greatest possible extent or to reduce these impacts and risks for them, as well as to support identified positive impacts and pursue opportunities.
References to material impacts, risks or opportunities
The context for the material impacts, risks and opportunities is determined on the basis of the double materiality analysis for the social standards (S1, S4) and governance standards (G1). It should be noted that the Code serves as a framework for a wide range of subject areas. Accordingly, the treatment of individual impacts, risks and opportunities is regulated in detail by various substantive work instructions, works agreements and various policies. The following positive impacts were identified as material based on the double materiality assessment: S10, S11, S12, S13, S14, S16, S17. The Code of Conduct is binding for all employees and provides information on the conduct they are expect to display in respect of customers. One positive impact is ensuring that all customers have access to products and services regardless of their personal, social or ethnic background. Actively involving different groups of people allows different customer needs to be recognised and incorporated into the product development process.
Monitoring process
The Compliance and Outsourcing department is responsible for ensuring that all employees are informed about the requirements of the Code of Conduct and are obliged to observe the standards contained therein in their work at Hypo Vorarlberg. To this end, Compliance may also introduce policies to identify, control and minimise actual and potential conflicts of interest.
Area of application
Compliance with the Code of Conduct is mandatory for all employees and executive bodies of Hypo Vorarlberg. All suppliers and business partners are expected to comply with these standards or define identical or at least similar principles. Compliance also includes day-to-day business dealings, with all parties involved being required to comply with the Code of Conduct.
Responsible organisational level
The Managing Board of Hypo Vorarlberg issues the standards of conduct for all employees and is responsible for compliance with the Code of Conduct as the highest executive body. Managers are also required to implement the Code of Conduct in their management function. To this end, the Compliance and Outsourcing department ensures that regulatory requirements and other legal provisions are complied with.
References to third-party standards or initiatives
The Code of Conduct is based on the following standards and legal bases: ▪ United Nations Guiding Principles on Business and Human Rights ▪ International Bill of Human Rights ▪ OECD Guidelines for Multinational Enterprises ▪ ILO core labour standards This is not an exhaustive list. A complete list can be found in the annex to the Code of Conduct. It is checked regularly to ensure that it is up-to-date and, where necessary, is expanded as part of the content review of the Code of Conduct.
Consideration of stakeholder interests
As the Code of Conduct covers a wide range of different subject areas, various specialists are involved in preparing and regularly reviewing its content. In particular, stakeholders and knowledge holders from the specialist departments for Communications and Marketing, HR, Sales, Logistics, Compliance and Sustainability and the Works Council must be involved in the process. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders and the Supervisory Board as well as the approval of the Code of Conduct by the Managing Board.
Availability of the policy for stakeholders
The entire Code of Conduct is publicly accessible on Hypo Vorarlberg's website and is communicated to customers and other parties involved in business dealings.[20]

[20] https://www.hypovbg.at/fileadmin/Hypovbg/Hypo-Vorarlberg/Verhaltenskodex_Hypo-Vorarlberg.pdf

MINDFUL COOPERATION guidelines
Key content
Hypo Vorarlberg's MINDFUL COOPERATION guidelines were created and published in December 2024 under the name "Concern Management" for all of the banking locations in Austria and subsequently expanded and renamed in cooperation with the Works Council. In order to ensure a good working environment for employees and to counteract discrimination, the guidelines set out Hypo Vorarlberg's standardised process for dealing with specific employee concerns. These include (work-related) topics such as discrimination, physical and mental health concerns, conflict situations, sexual harassment, violence and bullying in the workplace. In these cases, employees have access to a number of persons of trust, including their direct manager, department or division head, the HR department, the Works Council, the occupational psychologist, the company doctor, and the Managing Board of Hypo Vorarlberg.
General objectives
The main objective of the MINDFUL COOPERATION guidelines is to prevent or minimise (potential) negative impacts on the human rights of the company's own employees (e.g. discrimination), to promote employee satisfaction and the mental and physical health of all employees at Hypo Vorarlberg's banking locations and to counteract undesirable developments that have already taken place. The guidelines also include various initiatives and measures to ensure that all employees can enjoy a safe and attractive workplace.
References to material impacts, risks or opportunities
The following topics were identified as material for the guidelines based on the double materiality assessment: S10, S12, S13, S14, S15, S16.
Monitoring process
The HR department regularly evaluates the MINDFUL COOPERATION guidelines and includes relevant stakeholders in their further development.
Area of application
The MINDFUL COOPERATION guidelines cover Hypo Vorarlberg's own business operations and apply to all employees at its banking locations in Austria.
Responsible organisational level
The HR department is responsible for creating and updating the MINDFUL COOPERATION guidelines and for implementing them.
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg's banking locations, in particular the Managing Board, the HR department and the Works Council, are involved in the creation of the MINDFUL COOPERATION guidelines.
Availability of the policy for stakeholders
The MINDFUL COOPERATION guidelines are an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Employee Manual – Italy" policy
Key content
The "Employee Handbook" policy for Hypo Vorarlberg Leasing/Hypo Immo Italia contains fundamental rules and regulations relating to cooperation and working procedures within the company. It is reviewed regularly and was most recently updated in April 2024. This policy forms the basis for the organisation of the working environment, compliance with company values and statutory requirements, and day-to-day interaction in the workplace. The central topics include: ▪ Organisational chart, job descriptions and deputisation ▪ Social responsibility ▪ Employment relationships, including working time regulations, overtime, time recording and regulations governing absence ▪ Work-life balance ▪ Use of company property (including keys, company vehicles, e-bikes and IT resources) ▪ Code of Ethics, organisational, management and control model ▪ Whistleblowing ▪ Health and safety in the workplace
General objectives
The main objectives of the policy are to promote a positive and productive corporate culture, to comply with ethical and legal standards and to ensure a respectful and safe working environment. The policy also aims to increase transparency within the company and inform employees of their rights and obligations.
References to material impacts, risks or opportunities
The following topics were identified as material for the policy based on the double materiality assessment: S10, S13, S17.
Monitoring process
Compliance with the policy is monitored by the team leaders and department heads.
Area of application
The employee manual covers the company's own business operations and applies to all employees at the Bolzano and Como branches of Hypo Vorarlberg Leasing/Hypo Immo Italia.
Responsible organisational level
The Hypo Vorarlberg Leasing management team is responsible for creating and continuously updating the policy as well as for its implementation. It has ultimate responsibility for the strategic orientation of the company and ensures that the policy is regularly reviewed, updated and effectively implemented in all relevant areas of the company. Responsibility for the actual implementation of the policy lies with the division heads and team leaders, who ensure that employees comply with the requirements set out therein.
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg Leasing were involved in the creation of this policy, in particular the specialist departments for Human Resources, Legal, Compliance and Finance. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders.

Availability of the policy for stakeholders
The policy is an internal company document that is made available to all employees of Hypo Leasing and Hypo Immo Italia in Bolzano and Como.

20a, 21) Respect for human rights and disclosures on whether and how policies are consistent with internationally recognised instruments
The human rights policy commitments are set out in the Code of Conduct for Hypo Vorarlberg's banking locations and subsidiaries in Austria and the St. Gallen branch and in the Code of Conduct for Hypo Vorarlberg Leasing/Immo Italia in Italy. Hypo Vorarlberg's Code of Conduct provides an overview of important regulations that support employees when it comes to legal and ethical issues. It forms the basis for dealing with customers, business partners and employees by setting out rules, values and principles that guide the conduct of all employees at the Bank. Hypo Vorarlberg's Code of Conduct applies to all employees at Hypo Vorarlberg's banking locations. It also serves as a guideline for the subsidiaries and the St. Gallen branch (see ESRS 2-2.19).

Hypo Vorarlberg, its subsidiaries in Austria and Italy and the St. Gallen branch are guided by the following international standards and norms in ensuring compliance with human and labour rights:

- United Nations Guiding Principles on Business and Human Rights
- International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO core labour standards) to prevent forced labour, slavery and human trafficking within the company and its supply chain

20b) Engagement with people in the undertaking's own workforce
Hypo Vorarlberg's Code of Conduct is available to all employees both on the intranet and on the company's website. The MINDFUL COOPERATION guidelines provide employees with guidance on how to voice concerns, requests, suggestions and issues. They are available to all staff at Hypo Vorarlberg's banking locations in Austria via the internal knowledge database.

20c) Measures to provide remedy for negative human rights impacts
In order to provide remedy for potential negative human rights impacts, employees at Hypo Vorarlberg's banking locations have access to the MINDFUL COOPERATION guidelines, which are described in detail under disclosure requirement S1-3.

23) Disclosure of whether the undertaking has a workplace accident prevention policy
Hypo Vorarlberg's health management system supports employees in the prevention of physical and mental illness. In Austria, the protection of employee health is regulated by law, for example by the ASchG, the ARG and the AZG.

For Hypo Vorarlberg's banking locations in Austria, there are various committees (e.g. Occupational Health and Safety Committee, Health Committee, Safety Committee). Together with company doctors and occupational psychologists as well as the safety officer, these committees ensure compliance with statutory requirements and the provisions of collective agreements and look after employee health and safety (see S1-1.19).

24a) Disclosure of whether the undertaking has a specific policy aimed at the elimination of discrimination
Hypo Vorarlberg's Code of Conduct (see S1-1.19), which applies to all employees at Hypo Vorarlberg's banking locations and also guides the actions of the subsidiaries, states that working conditions must be put in place that enable everyone to contribute to the company and develop to their full potential, regardless of their gender, age, nationality, ethnic and social origin, skin colour, religion or ideology, personal limitations, political or other convictions, sexual orientation or identity. No one should be disadvantaged, discriminated against or marginalised. In addition, the MINDFUL COOPERATION guidelines are intended to help prevent or minimise (potential) negative human rights impacts and provide employees with guidance on the specific cases described if necessary.

The St. Gallen branch and the subsidiaries in Austria and Italy do not have any specific policies aimed at the elimination of discrimination.

24b) Disclosure of whether certain grounds for discrimination are specifically covered by the policies
See the list of grounds for discrimination in S1-1.24a.

24c) Disclosure of whether there are specific policies related to inclusion and positive action for groups at particular risk of vulnerability
Hypo Vorarlberg's Code of Conduct (see S1-1.19) and Hypo Vorarlberg Leasing's Code of Ethics cover all of the employees of the respective companies. No distinction was made based on groups at particular risk of vulnerability.

24d) Disclosure of whether and how the policies are implemented through specific procedures
Hypo Vorarlberg is committed to raising awareness with the Code of Conduct in order to contain, prevent and combat discrimination (see S1-1.19). The aim is to promote diversity and inclusion within the company. In addition, the MINDFUL COOPERATION guidelines (see S1-1.19) provide guidance for all employees at the Bank's locations in Austria on how to deal with perceived disruptions to mindful cooperation. The aim is to ensure that disruptions and threats to mindful cooperation due to discrimination, physical and mental health concerns, conflict situations, sexual harassment, violence and aggression as well as bullying are identified and documented and that measures and improvements are derived.

DISCLOSURE REQUIREMENT S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

27) Disclosures on whether and how the perspectives of the undertaking's workforce inform decisions on impacts
For its banking locations in Austria, Hypo Vorarlberg has a Works Council which represents employees and promotes their economic, social, health and cultural interests. The legal basis for Works Council activities is governed by the Austrian Labour Constitution Act (ArbVG). Through the Works Council, employees have the right to participate in the organisation of company policies that directly affect them. In addition to representing employees as a whole and individual employees, the Works Council performs an information, control and communication function within the company and serves as a link between the workforce and the company management.

In Austria, stock corporations with a Works Council are obliged to have employee representation on the Supervisory Board. Employee representatives make up one-third of the entire Supervisory Board and are therefore also involved in important decisions and participate directly in any operational changes and plans discussed by this body.

27a) Engagement directly with the undertaking's own workforce or workers' representatives
Employees are engaged in a targeted manner using the formats listed. They also have access to various platforms and formats for contributing their opinions and ideas, which strengthens the development of a transparent and dialogue-oriented corporate culture (see S1-2.27b).

27b) Stages, type and frequency of engagement
Hypo Vorarlberg has various formats for engaging with its employees:
- Standardised employee appraisals at least once a year
- Regular dialogue between the Works Council, the HR department and the Managing Board
- Legally required evaluation of physical and mental stress in the workplace
- MINDFUL COOPERATION guidelines for reporting concerns and complaints for affected persons, observers, informees and persons of trust

The dialogue formats are actively used and thus contribute to a positive assessment of employee engagement.

27c) Function and most senior role within the undertaking that has responsibility for ensuring that this engagement happens
At Hypo Vorarlberg, the Managing Board and, in particular, the Chairman of the Managing Board ensure that this engagement happens at regular meetings.

27d) Disclosures on global framework agreements or agreements related to the respect of human rights of the undertaking's own workforce
Hypo Vorarlberg's Code of Conduct (see S1-1.19) provides an overview of important regulations that support employees when it comes to legal and ethical issues. It forms the basis for dealing with customers, business partners and employees by setting out rules, values and principles that guide the conduct of all employees at the Bank. In addition, Hypo Vorarlberg is guided by the following international standards and norms in ensuring compliance with human and labour rights:
- United Nations Guiding Principles on Business and Human Rights
- International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO core labour standards) to prevent forced labour, slavery and human trafficking within the company and its supply chain

27e) Disclosures on how the undertaking assesses the effectiveness of its engagement with its own workforce
Under the Austrian Employee Protection Act (ASchG), companies are obliged to regularly evaluate physical and mental stress in the workplace. Hypo Vorarlberg in Austria meets this obligation at regular intervals. The evaluation covers the legal requirements and is supplemented by aspects that are important for the company. In this context, stress factors are identified and assessed and measures are derived. In the evaluation conducted with an occupational psychologist in 2023, 66.7% of employees at the Bank's locations in Austria provided feedback via a standardised questionnaire and open comment fields.

Open dialogue between employees and managers is firmly enshrined in Hypo Vorarlberg's corporate culture. Employee appraisals and target agreement meetings are held annually. Employees also have the opportunity to assess the skills, performance and management conduct of their managers at regular intervals as part of a 270° management feedback process. In this way, the company gains insights into employee engagement in the form of feedback from its own employees via various channels and covering a wide range of topics.

28) Steps taken to gain insight into the perspectives of particularly vulnerable or marginalised employees
Throughout the Group, no distinction is made between the entire workforce and employees requiring particular protection.

DISCLOSURE REQUIREMENT S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS

32a) General approach and processes to remediate of negative impacts on the undertaking's own workforce, including assessment of effectiveness
Hypo Vorarlberg cares greatly about its employees' health and well-being. The health management system supports employees in the prevention of physical and mental illness and helps to prevent or minimise negative impacts. In Austria, the protection of employee health is regulated by the ASchG, the ARG and the AZG. Topics relating to employee health are also addressed by the Health Committee for all of the banking locations in Austria, as well as in Switzerland in some cases, under the motto #gesundmiteinanderarbeiten ("healthy cooperation"). The Health Committee adopted mental fitness as a focus topic for 2024 and 2025 and will focus on physical health in 2026 and 2027. The resulting measures that have already been implemented and will be implemented in future (for example, the new occupational psychology consultation hours introduced at the company) help to prevent negative impacts.

Disruptions to mindful cooperation must be identified as early as possible in order to maintain good working conditions for employees and to ensure an environment of respect, motivation and enjoyment both now and in future, thereby preventing physical and mental illness in particular. All employees have the right to a workplace and working conditions that are free from mental and physical disruptions and hazards. Hypo Vorarlberg's MINDFUL COOPERATION guidelines (see S1-1.19), works agreements and measures to promote health (S1-4.38a) provide support in this regard.

32b) Specific channels through which employees can raise their concerns or needs and have them addressed
The following channels are available to employees for raising their concerns and needs:
- MINDFUL COOPERATION guidelines: Provided by the company itself
- Employee appraisal database: Provided by the company itself
- Whistleblowing system: Provided by the company itself

32c, d) Details of procedures and mechanisms for handling complaints and ensuring the availability of communication channels in the workplace
Hypo Vorarlberg's MINDFUL COOPERATION guidelines were created and published in December 2024 under the name "Concern Management" and subsequently expanded and renamed in cooperation with the Works Council. The MINDFUL COOPERATION guidelines and the employee appraisal database are available to employees at Hypo Vorarlberg's banking locations via the internal knowledge database. All employees throughout the Group have unrestricted access to the whistleblowing system.

32e) Disclosure of how issues raised are tracked and monitored and how the effectiveness of the aforementioned channels is ensured
The aim of the MINDFUL COOPERATION guidelines is to identify disruptions and risks to mindful cooperation as early as possible and find a solution for the affected persons as quickly as possible. Once an individually selected person of trust has been consulted, the HR department at Hypo Vorarlberg's banking locations must be involved as a central point of contact. It evaluates the incident and participates in identifying and implementing a solution. Next, a follow-up meeting concerning the incident is held at which the effectiveness of the planned remedial measure is evaluated. The MINDFUL COOPERATION process is regularly evaluated and enhanced with the involvement of key stakeholders.

33) Disclosures on whether and how the undertaking assesses that people in its own workforce are aware of and trust the aforementioned channels
Information on the MINDFUL COOPERATION guidelines, employee appraisals and the whistleblowing system is available to all employees at Hypo Vorarlberg's banking locations in Austria via the internal knowledge database. Employees of the St. Gallen branch and Hypo Immobilien & Leasing GmbH can use Hypo Vorarlberg's whistleblowing system and are made aware of this option via the internal knowledge database and annual internal events. The subsidiaries in Italy have their own whistleblowing systems. These are accessible to employees via the respective company website.

The MINDFUL COOPERATION guidelines reinforce the protection of employees against stigmatisation and retaliation in the event of them using these channels. This does not apply to cases of deliberate misinformation.

33) Disclosure of whether the undertaking has policies in place to protect individuals that use the aforementioned channels against retaliation
The MINDFUL COOPERATION guidelines reinforce the protection of employees against stigmatisation and retaliation in the event of them using these channels. This does not apply to cases of deliberate misinformation.

DISCLOSURE REQUIREMENT S1-4 – TAKING ACTION ON MATERIAL IMPACTS AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS AND APPROACHES

37) Disclosure of action plans and resources to manage material impacts, risks and opportunities related to the undertaking's own workforce in accordance with the principles set out in ESRS 2 MDR-A
As the largest individual bank in Vorarlberg, Hypo Vorarlberg is confronted with a challenging labour market in the German-speaking region that gives rise to a particular competitive situation. Successful employee retention for the long term is a key factor in Hypo Vorarlberg's future success. This forms the basis for the measures for pursuing, preventing and mitigating the impacts, risks and opportunities identified in the materiality analysis.

Hypo Vorarlberg considers the promotion of training and professional development and the physical and mental health of its own workforce to be essential factors in ensuring successful employee retention. The measures and action plans concerning the material impacts and opportunities for the company's own workforce – which have already been implemented or are planned for the future and are described in greater detail below – focus on these two areas.

38a-c) Actions implemented, planned or underway to prevent or minimise material negative impacts on the undertaking's own workforce

Measures to promote health
Key measures
Taken

- The Health Committee adopted "mental fitness" as a focus topic for 2024/2025
- As a result, the following measures were taken in 2025:
  - In addition to the consultation hours offered by the company doctor, anonymous psychological counselling sessions with an occupational psychologist have been offered since 2024.
  - Furthermore, a presentation focusing on mental fitness and sleep was held on two different dates during working hours for all employees in Bregenz and online for all employees of the banking locations.
  - In order to bring the St. Gallen branch even closer to the services offered by the occupational psychologist, an additional on-site presentation was organised for employees and managers.
  - Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia hosted a presentation by a mental and sports performance coach focusing on mental health and physical fitness. In addition, weekly yoga classes were offered

Planned

- The Health Committee has decided that the focus for 2026/2027 will be on physical fitness. Specific measures to this end are currently being planned.
- The consultation hours offered by the company doctor and psychological counselling sessions with the occupational psychologist remain an important service for employees and managers at Hypo Vorarlberg.
- A series of talks on the topic of mental fitness (tools for improved well-being) is planned as a follow-up for all Hypo Vorarlberg employees.
- The yoga classes, which have been very well received, and the regular mental health workshops for employees and managers at Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia will continue. In addition, coaching sessions are to be offered to employees.
- E-bikes are being provided to employees of Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia for short commutes.
- A working group focusing on the topic of work-life balance is being set up at Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia.

Expected results

The number of sick days is expected to be reduced if the range of employee health services is expanded further. In addition, the aim is to promote a culture in which the company's own workforce remains healthy and productive in the long term. In turn, this will increase the attractiveness of the company as an employer and improve employee retention.

Contribution to the realisation of the objectives and targets of the policy

The measures taken are consistent with the objective of the HR strategy and various works agreements, which primarily seek to promote employee satisfaction and reduce negative health impacts. The health promotion measures implemented and planned help to minimise the downstream negative impact on the company's own workforce identified in the double materiality assessment: S10.

Scope

The measures apply to all employees at Hypo Vorarlberg's banking locations in Austria and the St. Gallen branch and also cover the entire management level. Measures relating to the workforce at Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia are indicated separately.

Time horizons

As further activities are being planned, this is considered to be a long-term initiative. Employee health and well-being are critical to Hypo Vorarlberg's long-term success.

Key remedial measures

Promoting employee health helps to reduce the physical and mental health problems that can arise at work. It also improves mindfulness with regard to oneself and others, strengthens mental flexibility and resilience, and creates opportunities for respectful interaction.

Progress

Hypo Vorarlberg regularly evaluates the health-related conditions and needs of its employees in Austria. The results are rated by the occupational psychologist as good to very good in comparison to other employers. This serves as encouragement for the Health Committee to develop additional focus topics and measures. For a number of years now, the company has created sports programmes, conducted surveys at regular intervals, enabled in-house health checks, implemented coaching and team-building measures and sought to provide individual solutions for employees returning from extended periods of sick leave. Creating attractive conditions with regard to the workplace, working from home, etc. combined with a balanced range of activities and events are further key factors in creating attractive jobs and fostering a culture of mutual respect.

Creation of attractive jobs through training and professional development opportunities

Key measures

Taken

- A newly designed management training programme for all of Hypo Vorarlberg's banking locations, which comprises several modules, promotes dialogue between managers and allows them to strengthen their methodological and social skills.
- Individual coaching for all Hypo Vorarlberg Leasing employees in Bolzano.
- Individual coaching for all employees of Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia.
- Further specific expansion of training programmes for managers at Hypo Vorarlberg's banking locations.
- First-time initiative aimed at potential managers at Hypo Vorarlberg's banking locations in Austria.
- Management feedback was carried out at all of Hypo Vorarlberg's banking locations in Austria followed by a mandatory coaching session to discuss the results.
- Onboarding of new managers at Hypo Vorarlberg's banking locations in Austria by HR.
- Due to high demand, training courses for Hypo Vorarlberg employees will continue to focus on social, professional and methodological skills (such as customer retention after death, self-care and stress management, etc.).

Planned

- Further expansion of training programmes for managers at Hypo Vorarlberg's banking locations
- Targeted focus on leadership development at Hypo Vorarlberg's banking locations
- Raising awareness in the area of change management for all employees at Hypo Vorarlberg's banking locations

Expected results

Improved leadership skills result in greater employee satisfaction, which will have a positive impact on employee retention.

Contribution to the realisation of the objectives and targets of the policy

The measures contribute to improving employee satisfaction. Furthermore, the measures help to mitigate and reduce the following negative impact identified in the double materiality analysis: S11.

Scope

The measures apply to all employees at Hypo Vorarlberg's banking locations in Austria and the St. Gallen branch and cover the entire workforce. Measures relating to employees and managers of Hypo Vorarlberg Leasing and Hypo Vorarlberg Immo Italia are indicated separately.

Time horizons
Medium-term implementation, as this involves the continued expansion of the training programme.
Key remedial measures
The management training course is mandatory for junior managers at Hypo Vorarlberg's banking locations in Austria and Switzerland. Participation is also open to all managers at Hypo Vorarlberg's banking locations.
Progress
▪ The management training course has established itself successfully and will therefore continue. ▪ Manager onboarding by HR is successful and will also continue in light of the positive feedback. ▪ Management feedback has also established itself as a successful management tool, leading to follow-up activities (e.g. team-based assessment of the status quo).

ESRS 2 69a-c) Disclosure requirements for action plans with significant OpEx and/or CapEx requirements
An allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

38d) Tracking and assessing the effectiveness of actions and initiatives
The effectiveness of the actions is assessed by means of various evaluations carried out at regular intervals (e.g. evaluation of physical and mental stress in the workplace, 270° management feedback).

39) Disclosure of processes to identify the need for action in response to negative impacts
Due to the numerous preventive measures already in place, there is currently no need for additional processes.

40) Disclosures on material risks and opportunities
40a) Planned or ongoing measures to mitigate material risks arising from the undertaking's own workforce
As the materiality analysis did not identify any (financial) risks for the area of own employees (see S1-4.40), no measures were planned in this regard.

40b) Planned or ongoing measures to pursue material opportunities
The following opportunities were identified on the basis of the double materiality assessment:
- Reputational opportunity: Creation and maintenance of attractive and secure jobs through fair and equitable working conditions, inclusion, respect and diversity.
- Reputational opportunity: Promotion of employee well-being, satisfaction and a healthy work-life balance.

Hypo Vorarlberg takes advantage of these material opportunities by actively promoting training and professional development opportunities, ensuring social dialogue, enabling adequate healthcare provision, supporting employees' work-life balance and providing secure jobs with fair pay.

41) Disclosure of whether and how the undertaking ensures that its own practices do not cause or contribute to material negative impacts on its own workforce
Hypo Vorarlberg considers raising awareness and prevention to be the basis for avoiding, containing and combating material negative impacts on its own workforce. Internal policies play an important role in this process, as does the Health Committee, whose aim is to ensure compliance with statutory requirements and the provisions of collective agreements and to maintain and strengthen employee well-being. The Occupational Health and Safety Committee also deals with operational safety and accident prevention. Internal training programmes (such as apprenticeships, trainee programmes and junior manager programmes), as well as talent management and regular employee appraisals and development reviews, help to prevent the risk of employees becoming demotivated due to a lack of opportunities for further development and career progression.

43) Allocation and administration of resources for the management of material impacts
The financial resources for implementing the measures are covered by the personnel budget. Additional resources, such as a dedicated personnel development team, are also available to support employees with training and professional development programmes.

AR 43) Measures to mitigate the negative impacts of the transition to a climate-neutral economy on the undertaking's own workforce
Hypo Vorarlberg promotes more environmentally friendly means of transportation through the travel allowance, the opportunity to purchase a company bicycle and the provision of electric cars. Among other things, this can also help to contain, prevent and combat physical and mental health problems.

METRICS AND TARGETS

DISCLOSURE REQUIREMENT S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

46) Description of the targets set to manage the material impacts, risks and opportunities related to the undertaking's own workforce in accordance with the principles set out in ESRS 2 MDR-T
As Vorarlberg's largest single bank in the German-speaking region, Hypo Vorarlberg is confronted with a challenging labour market. The HR strategy reflects this particular competitive situation by focusing on attracting the best talent and employees and successfully retaining employees for the long term.
The material impacts and opportunities defined in the materiality analysis and the resulting measures are closely connected to Hypo Vorarlberg's HR strategy, which itself is aligned with the company's objectives.

Successful employee retention for the long term
Relationship between target and policy/strategy objective
In order to ensure employee retention for the long term, the defined measures for health promotion and training and professional development are implemented with the aim of maintaining staff turnover at a rate of 9.6% or lower.
Defined target level
The staff turnover rate recorded in 2023 should at least be maintained.
Scope of the target
This target applies to the entire workforce at Hypo Vorarlberg's locations in Austria.
Baseline value and base year
In 2023 (base year), the staff turnover rate adjusted for holiday workers, interns and employees on maternity leave was 9.6% (baseline value). As the staff turnover rate calculated for 2024 is not in line with the norm, 2023 was applied as the base year.
Period to which the target applies, including any milestones and interim targets
Both the target and the target level apply to the 2026 reporting year. Interim targets: ▪ A staff turnover rate of 7.5% was calculated for 2024, which is below the target of 9.6%. ▪ A staff turnover rate of 7.8% was calculated for 2025, which is below the target of 9.6%.
Methodologies and significant assumptions
Hypo Vorarlberg owes its economic success in particular to the expertise, commitment and motivation of its employees. In addition to recruiting new talent and employees, retaining existing employees is an essential component of Hypo Vorarlberg's continued success. In particular, the targeted promotion of employees through a well-rounded talent management package, including an interesting range of training and professional development opportunities and measures to strengthen physical and mental health, makes a significant contribution to successful employee retention.
Relationship with environmental aspects and scientific evidence
There is no relationship with environmental aspects and scientific evidence.
Stakeholder involvement
The target was defined by the HR department.
Changes in targets, metrics or measurement methodologies
There were no changes in the 2025 reporting year.
Progress
Performance is assessed on the basis of the number of people joining and leaving the company in the 2026 reporting year.

47) Process for setting targets including engagement with the undertaking's own workforce or workers' representatives
47a) Definition of targets
The target of "successful employee retention for the long term" was defined by the HR department without engagement with the workforce or workers' representatives.

47b) Tracking the undertaking's performance against these targets
The staff turnover rate is calculated once a year in order to monitor target achievement.

47c) Identification of lessons and improvements as a result of the undertaking's performance
The dialogue formats defined in S1-2.27b give employees the opportunity to get involved. The insights gained as a result are incorporated into any recommendations for improvement and action.

- Standardised employee appraisals at least once a year
- Regular dialogue between the Works Council, the HR department and the Managing Board
- Legally required evaluation of physical and mental stress in the workplace
- MINDFUL COOPERATION guidelines for reporting concerns and complaints for affected persons, observers, informees and persons of trust

DISCLOSURE REQUIREMENT S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

50a) Disclosure of the total number of employees on a headcount basis, disaggregated by gender and by countries with at least 50 employees and at least 10% of the total workforce

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Male	420	410	370	361	24	23	26	26
Female	541	528	500	487	16	15	25	26
Other	0	0	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0	0	0
Total	961	938	870	848	40	38	51	52

50b) Number of permanently contracted employees, temporary employees and employees without guaranteed working hours, disaggregated by gender

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Male	420	410	370	361	24	23	26	26
Female	541	528	500	487	16	15	25	26
Other	0	0	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0	0	0
Total employees (incl. parental leave etc.)	**961**	**938**	**870**	**848**	**40**	**38**	**51**	**52**
Male	418	406	369	357	23	23	26	26
Female	512	501	471	460	16	15	25	26
Other	0	0	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0	0	0
Total employees (excl. parental leave etc.)	**930**	**907**	**840**	**817**	**39**	**38**	**51**	**52**
Male	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0	0	0
Temporary employees	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Male	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Not disclosed	0	0	0	0	0	0	0	0
Employees without guaranteed working hours	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Details for the Bank can be found in the footer[21].

50c) Total number of employees who left the undertaking during the reporting period and staff turnover rate during the reporting period

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Employees joining the undertaking	100	115	90	104	7	11	3	0
Employees leaving the undertaking	83	71	73	69	5	2	5	0
Total employees (previous year)	938	897	848	816	38	29	52	52
Staff turnover in%	8.0%	7.0%	7.8%	7.5%	11.1%	5.0%	9.1%	0.0%

50d), e) Description of the methodologies, procedures, averages and assumptions used to compile the data
The data required for calculating the key figures was collected, aggregated and prepared on a Group-wide basis as at 31 December 2025. The calculation methodology described also applies to the tables below. Any deviations or alternative methodologies are explicitly stated in each case. No external validation of the data was carried out, as sufficient validation and control measures are implemented as part of the internal processes.

The data collected is comprehensive, so no assumptions are required to be made. The data presented is based on the actual number of employees at Hypo Vorarlberg and its subsidiaries. No contextual information is necessary to understand the data.

[21] 2025 Bank incl. St. Gallen branch: Total headcount (active and passive employees): 863 (2024: 838); total headcount (active and passive employees) as an average for the year: 847 (2024: 817); total headcount excl. St. Gallen branch (active and passive employees) as an average for the year: 808 (2024: 785).

DISCLOSURE REQUIREMENT S1-8 – COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

60a, 60b and 63a) Workers covered by workers' representatives

	Collective bargaining coverage		Social dialogue
Degree of coverage	Employees – EEA (for countries with >50 employees accounting for >10% of the total)	Employees – non-EEA countries (estimate for regions with >50 employees accounting for >10% of the total)	Workplace representation (EEA only) (for countries with >50 employees accounting for >10% of the total)
0 – 19%			
20 – 39%			
40 – 59%			
60 – 79%			
80 – 100%	Austria, Italy		Austria, Italy

The Group-wide collective bargaining coverage is 95.3% (2024: 95.4%).

60c) Percentage of employees covered by collective bargaining agreements in each non-EEA region
As the St. Gallen branch has fewer than 50 employees and accounts for less than 10% of the total workforce, it is not included in the table.

63b) Disclosure of any agreements with employees regarding representation by a European Works Council (EWC), Societas Europaea (SE) Works Council or Societas Cooperativa Europaea (SCE) Works Council
Representation by a European Works Council (EWC), Societas Europaea (SE) Works Council or Societas Cooperativa Europaea (SCE) Works Council is not relevant for Hypo Vorarlberg.

DISCLOSURE REQUIREMENT S1-9 – DIVERSITY METRICS

66a) Disclosure of gender distribution at top management level as absolute and relative figures

	Group		Austria	
	2025	2024	2025	2024
Male	3	3	3	3
in%	100.0	100.0	100.0	100.0
Female	0	0	0	0
in%	0.0	0.0	0.0	0.0
Other	0	0	0	0
in%	0.0	0.0	0.0	0.0
No data	0	0	0	0
in%	0.0	0.0	0.0	0.0
Total	**3**	**3**	**3**	**3**
Total in%	**100.0**	**100.0**	**100.0**	**100.0**

66b) Disclosures on employees at top management level by age group

	Group		Austria	
	2025	2024	2025	2024
0-29 years	0	0	0	0
in%	0.0	0.0	0.0	0.0
30-49 years	1	1	1	1
in%	33.3	33.3	33.3	33.3
50+ years	2	2	2	2
in%	66.7	66.7	66.7	66.7
Total	**3**	**3**	**3**	**3**
Total in%	**100.0**	**100.0**	**100.0**	**100.0**

AR 71) Definition of top management or reasons for an alternative undertaking-specific definition
There is no deviation from the above definition.

DISCLOSURE REQUIREMENT S1-10 – ADEQUATE WAGES

69) Adequate wages in line with applicable benchmarks
Statutory provisions and collective bargaining agreements ensure that all Hypo Vorarlberg employees receive adequate wages.

DISCLOSURE REQUIREMENT S1-14 – HEALTH AND SAFETY METRICS

88a-c) Disclosure of the coverage of the workforce by the health and safety management system and work-related incidents

	Group		Austria		Switzerland		Italy	
	2025	2024	2025	2024	2025	2024	2025	2024
Proportion of employees covered by the health and safety management system based on statutory requirements and/or recognised standards or guidelines	90.9%	90.8%	94.6%	94.3%	0.0%	0.0%	100.0%	100.0%
Number of deaths as a result of accidents at work and/or work-related illnesses	0	0	0	0	0	0	0	0
Number of reportable accidents at work	1	5	0	3	0	0	1	2
Rate of reportable accidents at work	0.6	3.2	0.0	2.1	0.0	0.0	10.8	21.2

The data relates to the reporting date of 31 December 2025.

DISCLOSURE REQUIREMENT S1-16 – COMPENSATION METRICS (PAY GAP AND TOTAL COMPENSATION)

97a) Disclosures on the gender pay gap

Country	Employee category	2025	2024
Austria			
Hypo Vorarlberg	ID staff	1.7%	2.5%
Hypo Vorarlberg	Employees	20.5%	21.1%
Hypo Vorarlberg	Managing Board	0.0%	0.0%
Hypo Real Estate & Leasing	ID staff	0.0%	0.0%
Hypo Real Estate & Leasing	Employees	21.6%	23.5%
Switzerland			
Hypo Vorarlberg St. Gallen branch	ID staff	0.0%	0.0%
Hypo Vorarlberg St. Gallen branch	Employees	13.3%	12.3%
Italy			
Hypo Vorarlberg Immo Italia	ID staff	0.0%	0.0%
Hypo Vorarlberg Immo Italia	Employees	-34.3%	-34.6%
Hypo Vorarlberg Leasing	ID staff	0.0%	0.0%
Hypo Vorarlberg Leasing	Employees	17.4%	15.9%

97b) Annual total remuneration ratio of the highest-paid individual to the median remuneration for all other employees
In 2025, the ratio of the annual total remuneration of the highest-paid individual to the median remuneration for all other employees was 6,11:1 (2024: 6,06:1).

97c) Disclosure of contextual information necessary to understand the data
The calculation of the gender pay gap (see S1-16.97a) is based on the EBA/GL/2023/08 guidelines on the benchmarking of diversity practices, including

diversity policies and the gender pay gap, in accordance with Directive 2013/36/EU and Directive (EU) 2019/2034.

The following measures are being taken to improve comparability:
- The gender pay gap is calculated for employees who are employed at the end of the calendar year. This means that employees who left the company during the year are not included in the calculation.
- Employees who receive less than their regular annual total remuneration because they are absent for an extended period at the end of the year due to parental leave, illness or leave of absence are excluded from the calculation. A period of at least three months is considered to constitute an extended period.
- Non-representative groups such as pensioners, seasonal trainees and apprentices are not included.
- Employees hired during the last three months of the year are not included in the calculation.

For the purposes of the calculation, the total gross annual remuneration is determined taking the following factors into account:
- The starting point is the basic remuneration for a full-time position, including paid overtime and overtime allowances.
- For part-time employees, remuneration is calculated on a full-time basis.
- Non-monetary benefits (e.g. benefits in kind such as interest-free loans, company cars, company accommodation, etc.) are recognised at their monetary value for tax purposes.
- Any monthly allowances, bonuses, long-service payments, severance payments, and childbirth and marriage bonuses are not taken into account.
- Social supplements and meal and travel allowances are not taken into account.
- Employees hired during the year are extrapolated to a full twelve months of employment.

Where a pay gap of 0% is disclosed for the reporting year, this means the category comprises one gender and it was not possible to calculate a pay gap.
The "ID staff" group comprises senior management (first level directly below the Managing Board), the managers defined as risk buyers, managers with control functions and the members of the Works Council in the Credit Committee.

DISCLOSURE REQUIREMENT S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

103a-d and 104a-b) Disclosure of the number of work-related incidents and/or complaints and severe human rights impacts

	2025	2024
Number of cases of discrimination	0	0
Number of complaints submitted through channels for own employees to raise concerns	0	0
Number of complaints submitted to the National Contact Points for OECD Multinational Enterprises	0	0
Amount of material fines, penalties and compensation for damages as a result of violations of social and human rights factors	0	0
Number of severe human rights violations and incidents related to own employees	0	0
Number of severe human rights issues and incidents related to own employees that violate the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	0	0
Amount of material fines, penalties and compensation for damages as a result of severe human rights violations and incidents related to employees	0	0
Number of severe human rights cases in which the undertaking played a role in providing remedy to those affected	0	0

ESRS S4 CONSUMERS AND END-USERS

STRATEGY

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

8) Disclosure of how consumer interests and rights, including human rights, influence the strategy and business model
Hypo Vorarlberg endeavours to offer high-quality services to its private and corporate customers. On the basis of training and professional development, employees are able to identify the needs and interests of customers and offer tailor-made products. This is also reflected in Hypo Vorarlberg's core values. Hypo Vorarlberg's Code of Conduct requires all employees to treat their customers equally, regardless of their personal, social or ethnic background, and to refrain from any form of discrimination.

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

10) Disclosure of all consumers and end-users materially impacted by the undertaking and its value chain
CORPORATE CUSTOMERS
One focus of Hypo Vorarlberg's business activities is corporate customer business. Vorarlberg and the surrounding regions are characterised by a very SME-dominated economic structure with a high export ratio. Hypo Vorarlberg supports these companies in all financial issues that are important to them. The Bank has particular expertise in the areas of real estate financing, investment and project financing, subsidies, foreign services, working capital financing and as a provider of alternative forms of financing and in investment.

PRIVATE CUSTOMERS AND PRIVATE BANKING
Hypo Vorarlberg offers private customers extensive services with a focus on residential construction financing, pension advice and investment advice. Customers benefit from individual, flexible solutions as well as fair and transparent conditions. The varied product range for high-net-worth individuals and institutional customers is oriented towards customers' needs in all areas and offers contemporary solutions through the use of flexible optimisation policies adapted to the market situation in asset management, the use of viable alternatives to the money market in the investment business, further developments in online banking in payment transactions and, not least, through tailored financing.

TREASURY/FINANCIAL MARKETS
The Financial Markets business segment is responsible for asset/liability management, Hypo Vorarlberg's refinancing and various services for customers and different groups within the Bank, including money market, foreign exchange and interest rate derivatives as well as securities trading. Hypo Vorarlberg does not engage in any proprietary trading that is not connected to customer business.

CORPORATE CENTRE
The Corporate Centre essentially bundles the subsidiaries and holdings that expand the Bank's service range with banking-related products. In particular, it includes the property and leasing subsidiaries in Austria and Italy and the holdings in comit Versicherungsmakler GmbH and MASTERINVEST Kapitalanlage GmbH.

10a, ai-aaiv) Description of the consumer and end-user groups affected and the material impacts: harmful products, data protection, information requirements and vulnerable groups
Hypo Vorarlberg does not sell any products or offer any services that are harmful to health or that increase the risk of illness or disease. Accordingly, no consumer or end-user groups have been identified in this area.
Personal and sensitive data relating to all customers and consumers is considered by Hypo Vorarlberg to be particularly sensitive information and is subject to strict statutory and internal data protection regulations. Specific work instructions and policies have been implemented for this purpose and are regularly reviewed and modified (see S4-1.15).

Hypo Vorarlberg ensures that all customers are provided with comprehensive, accurate and easily accessible information on the safe use of the products and services it offers. To ensure that the advice provided is appropriate and of a high standard, employees regularly take part in training and professional development programmes. These take place on an ongoing basis and in consultation with the relevant line managers in order to ensure that the level of professional expertise and the quality of advice are always maintained at a high standard. Hypo Vorarlberg's website also provides information on services and current projects. Product sheets are also freely available to customers at the branches and can be discussed in consultations with advisors.

Customer data protection is a top priority for Hypo Vorarlberg. The company is aware of its responsibility and the trust that goes along with it. In addition to compliance with banking secrecy, Hypo Vorarlberg invests in the continuous improvement of data protection. Care is taken to ensure that the provisions of the General Data Protection Regulation (GDPR) are implemented throughout the Group. To this end, measures for the proper handling of personal data have been implemented and are regularly checked for effectiveness. The internal communication rules are designed to ensure that all customers are protected from being misled when purchasing products and services.

10b) Disclosure of material negative impacts on consumers, whether systemic or individual
The material negative impacts on consumers and end-users in the area of data protection and information security have been identified. Potential data breaches and ICT-related incidents may affect both individual natural persons and groups of consumers or end-users.

10c) Description of positive impacts and (potentially) affected consumer groups
Hypo Vorarlberg has implemented measures that offer material positive impacts for consumers and end-users. These include accessible branches and digital banking for people with physical disabilities, transparent and responsible advice and communication by trained employees, as well as a data protection management system to safeguard personal data. These activities improve access to financial services, promote trust and customer satisfaction and protect the customer's personal security (see S4-4).

10d) Material risks and opportunities due to impacts and dependencies on consumers
Material risks include data loss, data protection violations and hacker attacks, which can lead to operational disruption and a loss of customer confidence. In addition, inadequate data protection can lead to a loss of reputation and to customers leaving the company.
Opportunities arise from investments in data protection and information security, which strengthen the company's resilience. The transparent communication of safe products and a policy of active information and advice serve to promote customer confidence. The targeted inclusion of disadvantaged groups also makes the company more attractive to customers and creates competitive advantages.

11) Disclosure of whether and how particularly vulnerable consumers were identified in accordance with ESRS 2 IRO-1
Hypo Vorarlberg performs comprehensive customer segmentation every two years in order to identify potentially vulnerable consumers and end-users and to determine individual support requirements. Private customers are divided into categories such as top customers, advisory customers and service customers, while specialised support is provided in the private banking area.
At the St. Gallen branch, the customer segments are strategically defined as private banking/wealth management customers, corporate customers, cross-border commuters and Group customers. No additional segmentation was performed as part of the materiality assessment in accordance with ESRS 2 IRO-1.

12) Disclosure of which material risks and opportunities affect specific consumer groups
The material risks and opportunities identified in the materiality analysis affect all end-users and consumers of Hypo Vorarlberg equally. No distinction is made in this respect.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

15) Disclosure of the policies to manage material impacts on consumers in accordance with ESRS 2 MDR-P
The following relevant policies have been identified for the material topics. The policies are aimed at all identified customers in Hypo Vorarlberg's downstream value chain:
- Code of Conduct
- Sales strategy (Corporate and Private Customers)
- Complaints management and ombudsman
- Information security
- Data protection organisation

"Code of Conduct" policy
Key content

Hypo Vorarlberg's Code of Conduct provides an overview of important regulations that support employees when it comes to legal and ethical issues. It forms the basis for dealing with customers, business partners and employees by setting out rules, values and principles concerning the conduct of all employees in the Group. The Code of Conduct is reviewed annually and was most recently updated in February 2025. In order to inform consumers and end-users about their rights and obligations in business dealings with Hypo Vorarlberg in a transparent and comprehensive manner, special regulations and procedures for compliance with due diligence obligations are documented and must be applied by Hypo Vorarlberg employees:
▪ Compliance with rules of conduct and due diligence obligations
▪ Compliance with banking secrecy and data protection
▪ Processes for products and services:
    ▪ Employee expertise and specialist knowledge
    ▪ Credit check and recommendations for customers
    ▪ Responsible lending
    ▪ Communication and access to products
▪ Complaints management system:
    ▪ Enquiries and suggestions
    ▪ Complaints
    ▪ Opportunities for improvements

General objectives
The Code of Conduct acts as a framework for a variety of ESG-relevant topics. It has a clear focus on social issues that affect customers, business partners and employees in particular. Accordingly, the main objective of the Code of Conduct is to protect these groups of people from identified negative impacts and risks to the greatest possible extent or to reduce these impacts and risks for them, as well as to support identified positive impacts and pursue opportunities.
References to material impacts, risks or opportunities
The context for the material impacts, risks and opportunities is determined on the basis of the double materiality analysis for the social standards (S1, S4) and governance standards (G1). It should be noted that the Code serves as a framework for a wide range of subject areas. Accordingly, the treatment of individual impacts, risks and opportunities is regulated in detail by various substantive work instructions, works agreements and various policies. The following positive impacts were identified as material based on the double materiality assessment: S20, S21, S22, S25, S26, S27. The Code of Conduct is binding for all employees and provides information on the conduct they are expect to display in respect of customers. One positive impact is ensuring that all customers have access to products and services regardless of their personal, social or ethnic background. Actively involving different groups of people allows different customer needs to be recognised and incorporated into the product development process.

Monitoring process

The Compliance and Outsourcing department ensures that the content of the Code is communicated at all levels of the Group, thereby ensuring compliance. In this capacity, the department checks that all employees are informed about the requirements of the Code of Conduct and are obliged to comply with the standards. To this end, Compliance may also introduce policies to identify, control and minimise actual and potential conflicts of interest.

Area of application

Compliance with the Code of Conduct is mandatory for all employees and executive bodies of Hypo Vorarlberg. All suppliers and business partners are expected to comply with these standards or define identical or at least similar principles. Compliance also includes day-to-day business dealings, with all parties involved being required to observe the Code of Conduct.

Responsible organisational level

The Managing Board of Hypo Vorarlberg issues the standards of conduct for all employees and is responsible for compliance with the Code of Conduct as the highest executive body. Managers are also required to implement the Code of Conduct in their management function. To this end, the Compliance and Outsourcing department ensures that regulatory requirements and other legal provisions are complied with.

References to third-party standards or initiatives

The Code of Conduct is based on the following standards and legal bases:
- United Nations Guiding Principles on Business and Human Rights
- International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises
- ILO core labour standards

This is not an exhaustive list. A complete list can be found in the annex to the Code of Conduct. It is checked regularly to ensure that it is up-to-date and, where necessary, is expanded as part of the content review of the Code of Conduct.

Consideration of stakeholder interests

As the Code of Conduct covers a wide range of different subject areas, various specialists are involved in preparing and regularly reviewing its content. In particular, stakeholders and knowledge holders from the specialist departments for Communications and Marketing, HR, Sales, Logistics, Compliance and Sustainability and the Works Council must be involved in the process. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders and the Supervisory Board as well as the approval of the Code of Conduct by the Managing Board.

Availability of the policy for stakeholders

The entire Code of Conduct is publicly accessible on Hypo Vorarlberg's website and is communicated to customers and other parties involved in business dealings.[22]

"Sales strategy (Corporate and Private Customers)" policy

Key content

The "Sales strategy (Corporate and Private Customers)" policy at Hypo Vorarlberg comprises the central approach to communication and advice for both corporate and private customers. The focus is on observing basic ethical values and implementing them in day-to-day business, both through the company's own conduct and in its selection of partners and transactions. Employees respond carefully to customer needs and increasingly raise the issue of sustainability with customers in order to contribute to a low-emission, resilient economy based on responsible resource management. The policy is reviewed regularly and was most recently updated in January 2025. The individual sections describe the holistic approach to supporting new and existing customers in order to ensure a transparent basis for decision-making when it comes to selecting products and services:
- Positioning and goals
- Market presence:
  - Market segmentation
  - Customer segmentation
  - Communication policy
  - HR policy
- Expertise
- Service portfolio:
  - Products and product development
  - Product range policy
  - Distribution policy
  - Pricing and conditions policy

General objectives

Hypo Vorarlberg's goal is to be one of the most qualified banks in Austria and to set corresponding standards in advising and providing services to its customers. To achieve this, it systematically places their needs at the heart of everything it does. The policies in place are intended to ensure a responsible market presence and transparent communication with customers in the context of consultations with advisors. Products and services are also offered in a targeted manner in order to provide customers with a well-founded basis for decision-making.

References to material impacts, risks or opportunities

The following topics were identified as material for the policy based on the double materiality assessment: S18, S20, S24, S27.
The sales strategies for private and corporate customers are aimed at providing high-quality, trustworthy advice and support. Among other things, this is ensured through mandatory product labelling and the provision of transparent information. Communication is factual and free from misleading information, enabling customers to make informed decisions based on accurate information. In addition, various groups of people are involved in the development and design of the products in order to ensure that they continue to be designed in a needs-oriented manner that is suitable for the respective target groups.

[22] https://www.hypovbg.at/fileadmin/Hypovbg/Hypo-Vorarlberg/Verhaltenskodex_Hypo-Vorarlberg.pdf.

Monitoring process
Compliance monitoring is integrated into the internal control system (ICS). It takes place as part of the product and business introduction process, during which compliance with all relevant internal policies is checked. In addition, Internal Audit regularly monitors compliance with the policies and work instructions in order to ensure long-term compliance.
Area of application
The "Sales strategy (Private Customers)" policy covers the downstream value chain and is based on the defined market areas for Private Customers/Private Banking Sales. It includes the following actively addressed regions: Vorarlberg, Vienna and the surrounding Lower Austria, Burgenland, Styria, Upper Austria incl. parts of Salzburg, and southern Germany. Customers from Germany, Switzerland and Liechtenstein can also take out products online, although the product range may vary from region to region. The "Sales strategy (Corporate Customers)" policy covers the downstream value chain and is based on the defined market areas for the Corporate Customers segment. It includes all of the corporate customer branches in Vorarlberg, the branches in Salzburg, Wels, Graz and Vienna and the Corporate Customer Centre Germany in Bregenz. The catchment area of the Corporate Customer Centre Germany includes Baden-Württemberg, Bavaria (excluding the eastern Bavarian districts of Rosenheim, Traunstein, Berchtesgadener Land, Mühldorf am Inn and Altötting) and Kleinwalsertal.
Responsible organisational level
The Strategic Bank Management department, which reports directly to the full Managing Board, is responsible for creating and continuously updating the policy as well as for its implementation.
References to third-party standards or initiatives
The sales strategy policies for private and corporate customers are based on the following standards and legal bases: ▪ MiFID II in the area of investment services ▪ HIKrG (Austrian Mortgage and Real Estate Credit Act) and DaKRÄG (Austrian Loan and Credit Law Amendment Act) in the area of lending ▪ ZADIG (Austrian Payment Services Act) in the area of payment transactions
Consideration of stakeholder interests
All relevant specialist departments, stakeholders and knowledge bearers at Hypo Vorarlberg were involved in the creation of this policy, in particular the Strategic Bank Management specialist department, the Managing Board and the sales managers. Any amendments to this policy require the renewed involvement of the aforementioned stakeholders in order to take their interests into account.
Availability of the policy for stakeholders
The sales strategies for corporate and private customers are internal company documents that are made available to employees on Hypo Vorarlberg's intranet.

"Complaints management and ombudsman" policy and "Complaints procedure" policy
Key content
Hypo Vorarlberg has had a complaints management system in place since 2004. Hypo Vorarlberg's "Complaints management and ombudsman" and "Complaints procedure" policies were most recently approved in August 2025. The policies cover the identification, recording and processing of complaints in order to ensure the satisfaction of external stakeholders and strengthen their trust in the company. As part of complaints management, a clearly defined process has been established for receiving, investigating and responding to complaints from all customers. This process includes an option to submit complaints anonymously and ensures that all reported cases are dealt with fairly, promptly and objectively. There are also specific guidelines for passing on complaint information to affected departments and for involving relevant decision-makers in order to develop improvements.
General objectives
The main aim of complaints management is to ensure a high degree of transparency and trust. Handling complaints in a consistent, factual and objective manner promotes a culture of open communication that enables stakeholders to raise concerns without fear of reprisals. Another objective is to identify potential grievances at an early stage and implement suitable measures to address them. This helps to minimise recurring complaints and strengthen long-term business relationships in a spirit of mutual trust.
References to material impacts, risks or opportunities
The following topics were identified as material for the policies based on the double materiality assessment: S22, S27. The availability of different channels is intended to ensure accessibility and give customers the opportunity to provide good and constructive feedback. Hypo Vorarlberg sees this feedback as an opportunity to adapt its existing product portfolio to the changing needs of customers and to acquire new customers as a result.
Monitoring process
The complaints management monitoring process is based on regular reporting and complaint analysis. These reports are prepared every six months and submitted to management. Internal audits and checks verify compliance with the defined processes. Any deviations are documented and remedied by means of suitable measures. In addition, complaints must be reported annually to the Austrian National Bank. These reports provide the FMA with information on the number of complaints, broken down by category and reason for complaint. The FMA may conduct an audit of complaints management as part of its audits.
Area of application
The policy is aimed at all customers of Hypo Vorarlberg in Austria who make complaints in connection with banking transactions. The complaints management channels are accessible to all participants in the value chain. If concerns do not fall within the remit of Hypo Vorarlberg's ombudsman, they are forwarded to the relevant specialist departments for processing.
Responsible organisational level
The ombudsman is an executive department reporting to the Managing Board. Responsibility for the implementation of complaints management lies with the company's Managing Board. The Managing Board receives regular reports on the status of complaints management and intervenes in the case of strategically relevant complaints in order to approve or adjust necessary measures.

References to third-party standards or initiatives
The complaints management policy and the complaints procedure are based on the following standards and legal bases: ▪ Joint Committee guidelines on complaints handling for the securities (ESMA) and banking (EBA) sectors, JC 2018 35 ▪ Article 26, Del. Reg. 565/2017 ▪ Austrian Banking Act (BWG) ▪ MiFID II ▪ PSD II ▪ VERA Ordinance (Ordinance on the Statement of Assets, Income and Risks)
Consideration of stakeholder interests
The Austrian Banking Act requires Hypo Vorarlberg to establish transparent procedures for handling complaints in order to identify and eliminate potential legal and operational risks. These legal requirements help the Bank to protect the interests of its customers and integrate them into the strategic orientation of the complaints management policy.
Availability of the policy for stakeholders
The "Complaints management and ombudsman" policy is an internal company document that is made available to employees on Hypo Vorarlberg's intranet. The "Complaints procedure" policy is published on the Bank's website.

Information security guideline
Key content
Hypo Vorarlberg's information security guideline comprises the principles for the organisation of an information security management system (ISMS) and thus represents the framework and scope of application for information security at Hypo Vorarlberg. It is reviewed regularly and was most recently updated in December 2024. The guideline forms the basis for the information security policy in terms of the scope of application and defining the importance of information security. The document also describes the conditions for fulfilling the defined security objectives and strategies as well as the roles and responsibilities that contribute to the implementation and control of the information security requirements. The individual sections describe the holistic approach to information security and its implementation and monitoring at Hypo Vorarlberg. The main contents are structured as follows: ▪ Goal and purpose ▪ Scope of the policy ▪ Information security goals and strategy ▪ Development of information security management (ISM) ▪ Development of an information security process (PDCA) ▪ Setting up an information security organisation (roles and responsibilities)
General objectives
The main objectives of the guideline are to achieve an appropriate level of information security and to comply with all legal obligations, regulatory requirements and contractual provisions, as well as to apply recognised security standards
References to material impacts, risks or opportunities
The following topics were identified as material for the guideline based on the double materiality assessment: S19, S21, S23, S25, S26. The handling of customer data is extremely sensitive and hence poses a risk to customer trust and security. For this reason, Hypo Vorarlberg endeavours to make additional investments in information security and data protection above and beyond the regulatory requirements. This is also intended to prevent potential reputational and operating cost risk due to data loss and hacker attacks.
Monitoring process
The owner of this document is the Information Security Officer (CISO-R). The document owner is responsible for publishing and continuously updating this document and for reviewing it both annually and on an ad hoc basis.
Area of application
The requirements of this document apply to all of Hypo Vorarlberg banking locations in Austria and the branch in Switzerland, with the exception of the subsidiaries in Austria and Italy and the holdings. The latter prepare their own specifications based on those of the Bank. Compliance with the provisions of the guideline is mandatory. If an exception to these documented requirements is necessary, an application with accompanying rationale must be submitted to the document owner, who is responsible for approving the exception.
Responsible organisational level
The IT GRC specialist department is responsible for creating and continuously updating the guideline. The CISO-R is responsible for the information security process. The department reports directly to the Managing Board.
References to third-party standards or initiatives
The information security guideline is based on the following standards and legal bases: ▪ Regulation (EU) 2022/2554 Digital Operational Resilience Act (DORA) ▪ DORA Implementation Act ▪ European Banking Authority Guidelines on ICT and Security Risk Management (EBA/GL/2019/04) ▪ European Banking Authority Guidelines on ICT Risk Assessment under the Supervisory Review and Evaluation Process (SREP) (EBA/GL/2017/05) ▪ Standard: ISO/IEC Information Security Management System (27001:2022) ▪ Standard: ISO/IEC Information Security, Cybersecurity and Privacy Protection – Information Security Controls (27002:2022) ▪ Standard: ISO/IEC Information Security Risk Management (27005:2018)
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg were involved in the creation of this guideline, in particular the specialist departments for Information Security, Data Protection and Compliance. Any amendment to this policy requires the renewed involvement of the aforementioned stakeholders.
Availability of the policy for stakeholders
The information security guideline is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Data protection organisation" policy
Key content
Hypo Vorarlberg's "Data protection organisation" policy describes the implementation of the General Data Protection Regulation at the company and defines the framework and scope of application for data protection. It is reviewed regularly and was most recently updated in July 2023. The central principles and requirements for compliance are aimed at all employees who process or store personal data. The document also describes the roles and responsibilities of the data protection organisation, which is responsible for implementing and monitoring data protection. The individual sections describe a holistic approach and are structured as follows: ▪ Principles of data processing ▪ Roles and responsibilities ▪ Procurement/hardware and software ▪ Employee obligations and training ▪ Transparency of data processing ▪ Collection and processing of personal data ▪ Data storage, transfer and erasure ▪ External service providers, processing and maintenance ▪ Security of processing ▪ Accountability and documentation obligation
General objectives
The main objective of this guideline is to fulfil data protection requirements in order to ensure the proper processing of personal data. Potential risks or damage to natural persons (e.g. employees, suppliers or customers) due to data loss or data protection violations are reduced or avoided preventively by means of a predefined data protection organisation and internal controls.
References to material impacts, risks or opportunities
The following topics were identified as material for the policy based on the double materiality assessment: S19, S21, S23, S25, S26. The handling of customer data is extremely sensitive and hence poses a risk to customer trust and security. For this reason, Hypo Vorarlberg endeavours to make additional investments in information security and data protection above and beyond the regulatory requirements (such as the BWG). This is also intended to reduce the potential reputational and operating cost risk due to data protection violations.
Monitoring process
The document owner of this policy is the Data Protection Officer (DPO). The document owner is responsible for publishing and continuously updating this document and for reviewing it both annually and on an ad hoc basis. In addition, the DPO prepares an annual activity report to the Managing Board on audits that have taken place, complaints and any organisational deficiencies that still need to be remedied. Where this report concerns the processing of personnel data or matters relating to operational organisation, it is also made available to the Works Council.
Area of application
The requirements of this policy apply to all employees and departments at Hypo Vorarlberg's banking locations. This includes people or departments that decide on the deployment and use of application systems (e.g. IT departments and specialist departments) as well as people or users who use these systems to perform their operational tasks. Finally, the policy applies to the DPO, who supports its implementation and monitors compliance.
Responsible organisational level
The Data Protection specialist department is responsible for creating and continuously updating the policy. The DPO informs and advises the Managing Board and employees with regard to their data protection obligations. They are responsible for monitoring compliance with data protection regulations and strategies for the protection of personal data. The DPO reports directly to the Managing Board.
References to third-party standards or initiatives
The complaints management policy is based on the following standards and legal bases: ▪ Regulation (EU) 2016/679 General Data Protection Regulation (GDPR) ▪ Austrian Data Protection Act (DSG) St. Gallen branch: ▪ Revised Swiss Federal Act on Data Protection
Consideration of stakeholder interests
All relevant specialist departments and knowledge bearers at Hypo Vorarlberg were involved in the creation of this policy, in particular the specialist departments for Data Protection, Information Security and Compliance. Any amendment to this policy includes the renewed involvement of these stakeholders where necessary.
Availability of the policy for stakeholders
The "Data protection organisation" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

16) Description of human rights commitments relevant to consumers and end-users, including
16a) Respect for the human rights of consumers and/or end-users
In its Code of Conduct, Hypo Vorarlberg has defined regulations analogous to the standards of the UN, the ILO and the OECD that are intended to ensure transparency and compliance with due diligence obligations in dealings with all consumers and end-users in the downstream value chain (see S4-1.15). Various training courses and work instructions are designed to ensure appropriate conduct in respect of customers. Discussions with customers are documented and decisions are recorded. In addition, reports of human rights violations are documented and processed by the ombudsman and reported to the Managing Board at regular intervals.

16b) Engagement with consumers and/or end-users
All customers have the opportunity to seek a dialogue or exchange via the channels implemented, regardless of their concerns. The channels and formats for engaging with consumers and end-users are listed under S4-2.

16c) Measures to provide and/or enable remedy for human rights impacts
Customers have the opportunity to express their concerns via the ombudsman, including with regard to possible human rights violations or similar concerns. The ombudsman ensures that such issues are carefully examined and appropriate remedial action is initiated (see S4-3.25b).

17) Disclosure of whether the strategies are aligned with international consumer rights standards and whether violations have occurred in the value chain
Hypo Vorarlberg's strategies comply with international standards for consumer rights, including the United Nations Guiding Principles on Business and Human Rights. To date, there have been no known violations or cases of non-compliance with these principles involving Hypo Vorarlberg customers.

DISCLOSURE REQUIREMENT S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

20) Disclosure of whether and how consumer perspectives inform the management of impacts, including a discussion of
20a) Engagement with consumers and end-users, whether directly or via proxies
Hypo Vorarlberg in Austria and Italy does not currently engage with customers as part of the product development process. However, customer feedback is recorded and taken into account via the website and online banking, in consultations with advisors and via the ombudsman. The aim is to adapt products and services to the needs of customers to the greatest possible extent. The branch in St. Gallen conducted a survey of private customers, corporate customers and non-customers in 2021 in order to find out what customers need and expect from their bank.

20b) Disclosure of the stage at which engagement occurs, the type of engagement and the frequency of engagement
There is no fixed stage at which private and corporate customers are engaged as part of the product development process. To date, the survey in St. Gallen has not been conducted regularly. However, the branch plans to repeat the survey every four to five years in future.
The implemented channels for dialogue and exchange with customers and non-customers include:

Dialogue format	Type of engagement	Frequency
Customer feedback via website and online banking	Customers provide direct feedback on products, services or general concerns. Objective: Identification of opportunities for improvements and need for customisation.	Continuously available
Advisory consultations	Direct interaction with customers through personal consultations with advisors. Objective: Recording of needs, wishes and potential for improvements.	Continuous, depending on customer interactions
Ombudsman	Customers can submit complaints or suggestions for improvements. Objective: Focus on conflict resolution and customer satisfaction.	Continuously available
Customer survey (St. Gallen branch)	Direct survey of private customers, corporate customers and non-customers on needs and expectations. Objective: Adaptation of products and services to changing needs.	Every 4-5 years

The feedback received from the various channels is shared with the responsible specialist departments, checked for implementation and, if the assessment is positive, incorporated by means of a revision process or product launch process.

20c) Responsible function and most senior role with responsibility for engagement and implementation
The Managing Board of Hypo Vorarlberg has operational responsibility and is responsible for adjusting the policies based on the potential for improvements identified as a result of the engagement.

20d) Disclosures on how the undertaking assesses the effectiveness of its interaction with consumers and end-users
The St. Gallen branch takes the assessment into account in its survey, but there is no specific analysis of customer satisfaction.

DISCLOSURE REQUIREMENT S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

25) Procedures to address negative impacts on consumers and end-users
25a) Approach to and processes for remedial action in case of negative impacts on consumers
A complaints management system has been in place for Hypo Vorarlberg's banking locations in Austria since 2004; the current regulations are set out in the "Complaints management and ombudsman" policy. The policy covers the identification, recording and processing of complaints in order to ensure external stakeholder satisfaction and strengthen trust in the company. As part of complaints management, a clearly defined process has been established for receiving, investigating and responding to complaints. This includes an option to submit complaints anonymously and ensures that all reported cases are dealt with fairly, promptly and objectively. There are also specific guidelines for passing on complaint information to the affected departments and for involving relevant decision-makers in order to develop effective solutions and ensure sustainable improvements. At the St. Gallen branch, complaints management is handled centrally by the Swiss Banking Ombudsman. Customers can contact this body directly with their concerns. The Swiss Banking Ombudsman then contacts the Bank to work out a solution together. Complaints and claims can also be submitted via the usual channels.

Hypo Leasing & Immobilien has its own complaints management system that can be used by all customers.

Hypo Vorarlberg Leasing Italy and Hypo Vorarlberg Immo Italia have a complaints management system that can be used by all customers. The complaints received are coordinated and processed internally. There is a state banking ombudsman that liaises with the complaints management department in the event of a complaint being submitted.

25b) Channels for consumer feedback and concerns
Dialogue with all customers is important to the company. The following channels are available to both private and corporate customers for this purpose:
- Personal discussion with advisor or the ombudsman
- E-mail to Ombudsstelle@hypovbg.at
- Website[23]
- Customer service centre
- Social media

In addition to the channels mentioned above, customers can contact external ombudsman's offices, such as:
- Joint Arbitration Board of the Austrian Banking Industry, Wiedner Hauptstrasse 63, 1045 Vienna, Austria
- Austrian Consumer Arbitration Association, Mariahilfer Strasse 103/1/18, 1060 Vienna, Austria (for foreign currency loans only)
- Association of Austrian Provincial Mortgage Banks, Brucknerstrasse 8, 1040 Vienna, Austria
- Ombudsman's Office of the Association of Financial Service Providers of the Austrian Economic Chambers, Wiedner Hauptstrasse 63, 1045 Vienna, Austria

In addition to the channels mentioned above, customers can contact the Swiss Banking Ombudsman. Customers of the St. Gallen branch also have access to the usual channels mentioned above. The link to the Swiss Banking Ombudsman can be found on the Bank's website (https://www.hypobank.ch/rechtliches).
At Hypo Vorarlberg Leasing Italy and Immo Italia, customers are required to contact the respective ombudsman directly in the event of a complaint or claim. The usual channels are available for this purpose. Customers can also contact the state banking ombudsman for Italy.

25c) Disclosures on the processes through which the undertaking supports the availability of such channels
The availability and awareness of the complaints channels is ensured by way of various measures.
Customers are actively informed by advisors and service employees about the possibility of contacting the ombudsman as required.
"Your opinion is important to us" cards are available at the branches and can be used by customers to submit their feedback. This feedback is forwarded directly to the ombudsman. All information on the ombudsman and the complaints procedure is publicly available and easily accessible on Hypo Vorarlberg's website.

25d) Monitoring and effectiveness of feedback channels
Hypo Vorarlberg's complaints management system is designed to record all customer concerns, including complaints, claims, requests, ideas and suggestions. Any concerns raised in person or by telephone are clarified directly wherever possible. If an immediate solution is not possible, the persons concerned are informed as to the date by which they can expect to receive a response.
Written submissions are initially reviewed by the responsible employees or the ombudsman, with an initial response being provided immediately. If it is not possible to clarify the content of the submission in the short term, confirmation of receipt of the complaint is provided including details of who is dealing with the matter and the date by which a response can be expected. As a rule, the aim is for feedback on the content of the submission to be provided within 14 days. However, this may take longer in the case of particularly complex topics or circumstances such as illness or holidays. The final processing of complaints in connection with payment services covered by the Austrian Payment Services Act (ZaDiG) takes place within no more than 35 working days. The effectiveness of the channels and processes is ensured by the Internal Control System. The entire complaints process is documented in the ICS and is regularly reviewed by checking individual process steps to ensure high quality and reliability.

26) Disclosures on whether and how the undertaking establishes that consumers and end-users are aware of and trust the structures or processes as a way to raise their concerns or needs and have them addressed
Hypo Vorarlberg endeavours to continuously improve its products and services. To this end, customer surveys are conducted via various channels (see S4-2) and opportunities to provide feedback are made available.
The level of awareness of the individual feedback channels among customers is not specifically surveyed but can be derived from the number of reports received.

26) Disclosures on whether there are strategies in place to protect individuals that use the above processes against retaliation
Protection against retaliation is ensured by the "Complaints management and ombudsman" policy and the following measures (see S4-1.15):
- Customers can submit complaints anonymously.
- Complaints can be escalated in a multi-stage procedure. Customers start by contacting their advisor, followed by the ombudsman if they are dissatisfied.
- The ombudsman reports directly to the Managing Board. This ensures independent and objective processing. All ombudsman cases are recorded in a report and forwarded to the Managing Board and relevant department heads.

[23] https://www.hypovbg.at/service/kontakt/ombudsstelle-beschwerdeverfahren.

DISCLOSURE REQUIREMENT S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND EFFECTIVENESS OF THOSE ACTIONS

30) Actions and resources to manage material consumer impacts in accordance with ESRS 2 MDR-A
The following measures have been identified for the description of the planned measures to manage the material topics:

- Promotion of customer transparency and information
- Promotion of customer centricity and access
- Measures to improve data protection
- Measures to improve information security

These measures not only fulfil the regulatory requirements, but also make a sustainable contribution to increasing customer satisfaction and safety.

Promotion of customer transparency and information
Measures
Taken
▪ Some branches have been established as competence centres, making it easier for customers to access products via targeted information and advice. This gives them a clearer basis for making decisions. ▪ Expertise among sales staff is continuously developed, especially for advice-intensive solutions (investment and residential property financing), in order to provide customers with clear and transparent advice. ▪ The data quality of sustainability-related customer information from corporate customers has been improved using the OeKB ESG questionnaire. ▪ Hypo Vorarlberg sets industry limits in corporate customer business in order to prevent cluster risks arising from excessive concentration on individual business segments. ▪ Hypo Vorarlberg's redesigned website was launched in September 2025 in order to optimise user-friendliness and create greater transparency.
Planned
The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in its dealings with customers and consumers is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.
Expected results
The expected results of the measures taken are increased customer satisfaction and the long-term promotion of Hypo Vorarlberg's business success. Increased transparency and targeted advice gives customers a more well-founded basis for making decisions, which strengthens trust and increases customer loyalty in the long term.
Contribution to the realisation of the objectives and targets of the policy
The measures taken are consistent with the objective of the strategies, policies and work instructions of the sales departments, which essentially seek to ensure a responsible market presence through transparent communication with customers. The material positive impacts and opportunities identified are specifically addressed through the measures already implemented and planned: S20, S25.
Scope
In accordance with the sales strategies for private and corporate customers, the scope of application for the measures taken is the defined market area served by Hypo Vorarlberg.
Time horizons
The measures already implemented are regularly reviewed so that adjustments can be made and additional measures planned as necessary. The planned measures will be implemented in the medium term.
Key remedial measures
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Progress
The Hypo Vorarlberg website was redesigned and relaunched in 2025. Following the modernisation, customers benefit from improved user-friendliness, increased transparency, easily accessible information and universal access to the services offered.

Promotion of customer centricity and access
Measures
Taken
▪ Appointment of an Accessibility Officer ▪ In order to facilitate physical access to products and services, accessible entrances have been installed at almost all Hypo Vorarlberg branches where possible. The measures include wheelchair-accessible entrances, lifts and toilets as well as tactile guidance systems at ATMs for visually impaired and blind people. ▪ The Hypo basic account (Basiskonto) was introduced in order to offer everyone in the European Union access to financial services. ▪ Digital accessibility in the area of online banking is achieved through a high-contrast colour display for visually impaired people, among other things. Text-to-voice software has also been implemented.
Planned
▪ Ongoing implementation of the legal requirements of the Austrian Accessibility Act.
Expected results
The expected result of the measures is that services will be accessible to all customers, thereby strengthening customer satisfaction and trust in the Bank.

Contribution to the realisation of the objectives and targets of the policy

The measures taken are consistent with the objective of the strategies, policies and work instructions of the sales departments. The material positive impacts and opportunities identified are specifically addressed through the measures already implemented and planned: S22, S25.

Scope

In accordance with the "Sales strategy (Private and Corporate Customers)" policy, the scope of application for the measures taken is the defined market area served by Hypo Vorarlberg.

Time horizons

The measures implemented are regularly reviewed so that they can be improved or supplemented with additional measures as necessary. The Austrian Accessibility Act was implemented in 2025.

Key remedial measures

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Progress

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Measures related to data protection

Measures

Taken

- The integration of data protection issues (non-functional requirements) has been established as part of the redesigned requirements management process.
- Awareness and training: Employees participate in mandatory data protection training as part of the onboarding process. In addition, an online training course must be completed every two years and data protection training is offered by the Data Protection department. The content of the training includes the presentation of data protection principles, the importance of the proper handling of personal data and the procedure to be followed in the event of suspected or actual data protection violations.
- As part of the website redesign, all information relating to data protection under Articles 13 and 14 has been revised and the privacy policy has been organised by topic and presented in a standardised format in order to enhance transparency and make the required information easier to find.

Planned

- Various measures to advance and improve data protection are planned for the following years.
- Establishment of a new tool for documenting the records of processing activities in accordance with Article 30 in order to strengthen and promote an understanding of the roles within the respective specialist departments.
- Establishment of a data protection objective to ensure that employees handle confidential data in a professional and sensitive manner in order to protect customers.

Expected results

The result of the measures already taken is that potential negative impacts or risks as well as potential damage or data loss have been minimised. In addition, the implemented processes enable identified data breaches and any damage that has occurred to be identified and clarified promptly. This is covered by a dedicated procedural instruction.

Contribution to the realisation of the objectives and targets of the policy

The measures taken are consistent with the objective of the "Data protection organisation at Hypo Vorarlberg Bank AG" policy, which essentially defines the fulfilment of data protection requirements with a view to ensuring the proper processing of personal data: S19, S23, S25, S26.

Scope

In accordance with the implemented data protection policy, the scope of application for the measures taken is Hypo Vorarlberg.

Time horizons

The measures implemented represent a continuous process that is regularly reviewed so that the measures already taken can be adjusted and additional measures planned as necessary. In the event of data breaches with a material impact, a process to minimise and rectify the damage is initiated promptly. In addition, the IT department and the DPO are informed immediately when a breach is suspected.

Key remedial measures

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Progress

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Information security
Measures
Taken
▪ Defined information security roles: Hypo Vorarlberg has defined specific roles and responsibilities for information security requirements. The regulatory Information Security Officer (CISO-R) advises and informs the Managing Board directly, while the technical Information Security Officer (CISO-T) monitors ICT security and makes employees aware of information security issues. The CISO-R promotes the information security process and ensures that regulatory requirements are met. Any potential suspicion of a cyber attack is reported directly to the CISO-T, who liaises with the authorities if necessary. ▪ Compliance with information security requirements: Every employee is informed about and required to comply with information security. To this end, employees are responsible for maintaining information security at their workstations and within their working environment. ▪ Awareness and training: Employees receive mandatory training on information security as part of the onboarding process and subsequently during their employment at Hypo Vorarlberg. The content of the training courses includes the importance of information security, highlighting the dangers of cyber attacks and potential protective measures. ▪ As part of the implementation of the Digital Operational Resilience Act (DORA), further comprehensive measures were implemented in the areas of governance and organisation, the ICT risk management framework, learning processes and further development, training for all employees, handling ICT-related incidents, testing digital operational resilience and managing third-party ICT service providers.
Planned
The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in its dealings with customers and consumers is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.
Expected results
The result of the measures taken is that the risks of potential cyber attacks and potential damage caused by the loss of availability, confidentiality, integrity and authenticity of information are minimised. The implemented information security management system (ISMS) ensures a high level of security. This enables prompt identification, reaction and clarification even in the event of security gaps and potential damage.
Contribution to the realisation of the objectives and targets of the policy
The measures taken are consistent with the objective of the information security guideline, which also incorporates the fulfilment of specific data protection requirements with a view to ensuring the proper processing of personal data: S19, S23, S25, S26.
Scope
In accordance with the implemented information security guideline, the scope of application extends to all areas of Hypo Vorarlberg with the exception of subsidiaries and holdings.
Time horizons
Topics relating to information security are constantly evolving, meaning that security processes and regulations must be continuously improved (in line with the PDCA model). The measures taken are therefore also reviewed regularly and enhanced as required. In the event of cyber attacks or information leaks with a material impact, a process to minimise and rectify the damage is initiated promptly. In addition, the IT department and the technical information security officer (CISO-T) are involved immediately when an incident is suspected.
Key remedial measures
If an ICT-related incident occurs, defined reporting centres are informed immediately. In addition to the IT GRC and the CISO-T, the first point of contact is the Computer Emergency Response Team (CERT HypoV), which can take urgent action to prevent major damage. If the analysis by CERT HypoV establishes that the ICT-related incident is serious and not merely a malfunction, it is escalated to the IT Security Organisation team, which comprises the IT department management, the CISO-T, the CISO-R, the Data Protection Officer and, if necessary, other bodies such as the Works Council. This team can then declare an emergency depending on its assessment of the situation. In this case, the crisis management team and emergency response teams, which constitute a special organisational structure, take over further decisions on handling the emergency and communicating with stakeholders.
Progress
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ESRS 2 69a-c) Disclosure requirements for action plans with significant OpEx and/or CapEx requirements
The allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

31) Further disclosures related to material impacts
31a) Actions planned or underway to prevent, mitigate or remediate negative impacts on consumers and end-users
Hypo Vorarlberg endeavours to continuously improve its products and services and make them accessible to customers (see S4-4).

31b) Actions to provide or enable remedy for actual material impacts
To remediate any actual material impacts, measures have been implemented to ensure the immediate escalation of and response to ICT-related incidents (information and communication technology). In the event of serious incidents, a crisis team is activated to manage the emergency and coordinate communication with stakeholders. A process has also been implemented in the area of material impacts due to data protection violations or actual data breaches in order to ensure an immediate response in the event of a potential risk to data subjects, including informing data subjects of this potential risk (see S4-4).

31c) Initiatives to support positive impacts for consumers and end-users
The St. Gallen branch conducts surveys of all Hypo Vorarlberg customers in order to find out what they need and expect from a bank and implement these needs and expectations accordingly. The survey takes place every 4-5 years.

31d) Tracking and assessing the effectiveness of actions for consumers and end-users
Hypo Vorarlberg continuously analyses the sales figures and transaction data for its products and services and takes customer feedback into account. These key figures can be used to assess the effectiveness of the measures taken.

32) Further disclosures related to material impacts
32a) Procedure for determining appropriate action in the event of material negative impacts on consumers and end-users
A process for determining the necessary and appropriate action has been established on the basis of the identified impacts, risks and opportunities. The measures taken are divided into four areas that specifically target the handling of IROs (see S4-4.32b). Measures that relate exclusively to negative impacts have been taken in the area of data protection and information security in order to minimise or prevent potential negative impacts on customers in the event of damage caused by data protection violations and hacker attacks.

32b) Approach to actions related to material impacts on consumers and end-users, including own practices
Based on the identified impacts, risks and opportunities, a series of strategies and measures aimed at providing targeted support to consumers and end-users have been defined and have already been implemented. This is achieved by promoting positive impacts, such as the inclusion of customers by making financial services accessible to all and pursuing opportunities by actively involving disadvantaged groups. The approach also aims to minimise negative impacts and risks for consumers in the area of information security and data protection. The measures implemented cover the following areas: Pursuit of a transparent information strategy, implementation of accessibility measures and stronger data protection and security practices. In addition, a structured product development process involving all relevant departments has been established at Hypo Vorarlberg in order to ensure that the measures taken are taken into account and implemented.

32c) Ensuring processes to provide or enable remedy in the event of material negative impacts on consumers
Remedial action is available in the area of data protection and information security. If a data protection breach occurs or is suspected, a centralised reporting option has been established to identify and process cases at an early stage. Similarly, if an ICT-related incident occurs, defined reporting centres are informed immediately so that urgent action can be taken if necessary. A detailed description of these remedial measures, including the processes defined for this purpose, can be found in the section on data protection and information security (see S4-4).

33) Further disclosures related to material risks and opportunities
33a) Disclosure of actions planned or taken to minimise risks and tracking of effectiveness
Planned measures to minimise risks include improving customer transparency, ensuring the accessibility of services and strengthening data protection and information security measures. These measures are intended to minimise potential risks such as data protection violations or barriers to accessing financial services (see ESRS 2 SBM3-48a).

33b) Disclosure of actions planned or taken to pursue material opportunities for consumers and end-users
The planned measures aim to increase customer transparency, improve access to services and strengthen trust in data protection and information security. This includes transparent advice, accessibility and robust data protection and security management (see ESRS 2 SBM3-48a).

34) Disclosure of whether and how the undertaking ensures that its own marketing, sales and data use practices do not contribute to negative impacts on consumers and end-users
Hypo Vorarlberg ensures that its own marketing, sales and data use practices do not contribute to negative impacts on consumers and end-users. It achieves this using a structured product development process.
This process involves all departments that are involved in product business in any way. This ensures that all relevant perspectives, regulatory requirements and potential risks are taken into account at an early stage and incorporated into the development of new products and services (see also the "Product and business introduction process" work instruction).

35) Disclosure of severe human rights issues and incidents connected to consumers and/or end-users
No serious incidents connected to consumers and/or end-users were reported at Hypo Vorarlberg in the 2025 reporting year.

37) Disclosure of resources allocated to the management of material impacts
Various specialist departments at Hypo Vorarlberg, including Sales and Product Management, are responsible for managing material impacts on consumers and end-users. The processes and criteria in these areas are continuously adapted to ensure that there are no negative impacts on consumers and end-users.

METRICS AND TARGETS

DISCLOSURE REQUIREMENT S4-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

ESRS 2 81) If the undertaking has not set any measurable outcome-oriented targets
ESRS 2 81a) Can the undertaking disclose whether it intends to set such targets and the timeframe for doing so, or the reasons why it does not intend to set such targets?
Hypo Vorarlberg has not yet set any measurable outcome-oriented targets this year. The reason for this is the ongoing evaluation and development of strategies and measures for impacts, risks and opportunities. The task for 2026 will be to define specific targets based on the strategies and measures and to disclose them in the next reporting period.

ESRS 2 81bi-ii) Disclosure of whether the effectiveness of the policies and actions in relation to impacts, risks and opportunities can still be tracked. If yes, information on the procedures and the defined targets and timeframes
The effectiveness of the strategies and actions in relation to impacts, risks and opportunities is ensured by the monitoring process defined in the policies (see S4-1, S4-4). The strategies and actions are reviewed regularly (at least annually) and adjusted as necessary. The monitoring process takes account of various internal stakeholders (specialist departments, the Managing Board and, as part of its regular auditing activities, Internal Audit).

ESRS G1: BUSINESS CONDUCT

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

DISCLOSURE REQUIREMENT G1-1 – CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

7) Disclosure of policies with respect to business conduct and fostering corporate culture in accordance with ESRS 2 MDR-P
Hypo Vorarlberg pursues a strategy of basing its business conduct and corporate culture on ethics and sustainability principles. The aim is to create a working environment characterised by integrity, transparency and reliability that forms the basis for long-term success. The following policies and guidelines have been identified for this purpose:

- Code of Conduct
- Whistleblowing system
- Corruption policy
- Sustainable procurement and circular economy in business operations

They form the basis for this strategy. They define standards of conduct, promote compliance with rules and strengthen the trust of customers, business partners and employees.

"Code of Conduct" policy
Key content
The Code of Conduct contains important regulations that support employees when it comes to legal and ethical issues. It serves as a basis for dealing with customers, business partners and employees by setting out rules, values and principles concerning the conduct of all Hypo Vorarlberg employees (see S1-1, S4-1). In addition, the Code describes how Hypo Vorarlberg ensures that rules of conduct are observed and monitored through the implementation of proper governance. It lists the most important measures for the prevention and avoidance of corruption, bribery and money laundering and for combating terrorism. In addition to the Code of Conduct, Hypo Vorarlberg has its own policies on corruption and bribery (see G1-1.7) which contribute to appropriate business conduct.
References to material impacts, risks or opportunities
The following topics were identified as material based on the double materiality assessment: G10, G15.
Area of application
Compliance with the standards of conduct is mandatory for all employees and executive bodies of Hypo Vorarlberg. All suppliers and business partners are expected to comply with these standards or to have defined identical or at least similar principles. The standards also include day-to-day business dealings, with all parties involved being required to comply with the Code of Conduct.
Responsible organisational level
The Managing Board of Hypo Vorarlberg issues the Code of Conduct for all employees and is responsible for compliance as the highest executive body. Managers are also required to implement the Code of Conduct in their management function. To this end, the Compliance department ensures that regulatory requirements and other legal provisions are complied with.

"Whistleblowing system for reporting violations" policy
Key content
The policy governs the reporting of white-collar crime and violations of statutory and internal provisions. It ensures that all indications of such violations reported by employees are documented and examined. It also protects whistleblowers from being penalised if they submit reports in good faith and ensures that the accused persons are protected from unjustified accusations. The statutory obligations of employees to report unlawful acts remain unaffected. The policy also enables employees to report serious grievances and hazards.
General objectives
The policy enables employees to report indications of violations of external regulations (statutory provisions), as well as loss-relevant violations of internal company regulations or general hazards and serious grievances, without having to fear negative consequences. This system helps to identify risks at an early stage while simultaneously protecting employees.
References to material impacts, risks or opportunities
The following topic was identified as material based on the double materiality assessment for the "Whistleblowing system" policy: G11.
Monitoring process
The whistleblowing system is monitored by a committee consisting of the Head of Compliance and Outsourcing and the Head of Group Internal Audit and Internal Audit. This committee decides on how to proceed in the event of reports, monitors compliance with the General Data Protection Regulation (GDPR) and submits regular reports to the Managing Board or Supervisory Board on significant cases.
Area of application
The document applies to all employees of Hypo Vorarlberg.
Responsible organisational level
The full Managing Board is responsible for implementing the requirements relating to the whistleblowing system and for defining the implementation strategy. Operational implementation is assigned to the Head of Group Internal Audit and Internal Audit, which prepares the corresponding policy/guideline that is reviewed annually and amended as required.
References to third-party standards or initiatives
The policy is based on the following legal bases: ▪ Austrian Banking Act (BWG) ▪ Austrian Whistleblower Protection Act (HSchG)

Consideration of stakeholder interests
The instruction was prepared by the Head of Group Audit and Internal Audit and the Head of Compliance and Outsourcing with the involvement of the Data Protection Officer (GDPR data protection impact assessment) and the Works Council. In addition to the policy, Hypo Vorarlberg has concluded a works agreement on the whistleblowing system. Stakeholders are involved accordingly in the event of significant changes to the content. Changes to the content require the renewed approval of the Managing Board. This is ensured by a corresponding approval system.
Availability of the policy for stakeholders
The "Whistleblowing system for reporting violations" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Corruption prevention" policy
Key content
Hypo Vorarlberg's "Corruption prevention" policy, which was expanded in October 2024, comprehensively describes the provisions for the prevention of corruption and defines the requirements for adherence to compliance standards. It includes a detailed description of the definition of a public official in accordance with section 74 of the Austrian Criminal Code (StGB), including the provisions relating to accepting and granting benefits, avoiding conflicts of interest and ensuring transparency in business activities. Particular emphasis is placed on transparency and integrity in order to strengthen the trust of business partners, customers and the public. The policy clarifies conduct-related requirements and specific prohibitions (e.g. in connection with benefits and accepting gifts) and illustrates these using practical examples in order to prevent misunderstandings and potential violations.
General objectives
The main objective of this policy is to promote legally and ethically sound conduct within Hypo Vorarlberg and to ensure compliance with both internal requirements and statutory provisions.
References to material impacts, risks or opportunities
The policy helps to minimise negative impacts and provides legal certainty by minimising the risk of violations of laws or regulations. The following topics were identified as material for the "Corruption prevention" policy based on the double materiality assessment: G13, G14, G17, G18.
Monitoring process
Compliance with this policy is monitored through regular compliance training, clear communication of the policies to employees and an anonymous whistleblowing system. In addition, the Compliance department ensures that all reports of violations are promptly investigated, with disciplinary action being taken if necessary.
Area of application
The document applies to all employees of Hypo Vorarlberg.
Responsible organisational level
The "Corruption prevention" policy is a Managing Board directive. The Compliance specialist department is responsible for the operational preparation and implementation of the policy and for updating it.
References to third-party standards or initiatives
The policy is based on the following legal bases: ▪ Austrian Criminal Code (StGB) ▪ United Nations Convention against Corruption (UNCAC Coalition)
Availability of the policy for stakeholders
The "Corruption prevention" policy is an internal company document that is made available to all Hypo Vorarlberg employees on the intranet.

"Sustainable procurement and circular economy in business operations" policy
Key content

Hypo Vorarlberg's "Sustainable procurement and circular economy in business operations" policy describes the process and the criteria applied for the procurement of products and services by all employees who perform procurement processes. The policy is reviewed regularly and was most recently updated in December 2024. The individual sections are organised according to product groups and services and include the defined requirements to ensure sustainable procurement in each case:
▪ Application of the policy for product groups/services:
  ▪ IT equipment
  ▪ Stationery and office supplies
  ▪ Waste management
  ▪ Vehicle fleet
  ▪ Construction
  ▪ Purchase of energy for business operations
  ▪ Office equipment
  ▪ Advertising materials
  ▪ Customer events and gifts

General objectives
As a financial services company, Hypo Vorarlberg differs fundamentally from manufacturing and industrial companies, particularly in terms of its supply chain and value chain. Notwithstanding these differences, Hypo Vorarlberg pursues the goal of establishing and implementing sustainable procurement processes. At the same time, it places importance on creating and continuously nurturing stable, trust-based and long-term relationships with suppliers as a reliable partner.
References to material impacts, risks or opportunities
The following topics were identified as material based on the double materiality assessment: G12, G16.

Monitoring process
The processes are monitored by the Logistics department management team.
Area of application
The policy applies to all employees of Hypo Vorarlberg.
Responsible organisational level
The Logistics department is responsible for creating and continuously updating the policy as well as for its implementation.
References to third-party standards or initiatives
The policy is based on the following standards and legal bases: ▪ NaBe Action Plan 2021 ▪ ÖGNI standard ▪ Austrian Federal Act on Health and Safety at Work
Consideration of stakeholder interests
All relevant stakeholders and knowledge bearers at Hypo Vorarlberg were involved in the creation of this policy, in particular the specialist departments for Logistics, Fleet Management, Construction, Customer Marketing, Sponsorship & Events and IT.
Availability of the policy for stakeholders
The "Sustainable procurement and circular economy in business operations" policy is made available to all employees on Hypo Vorarlberg's intranet.

9) Description of how the undertaking establishes, develops, promotes and evaluates its corporate culture
The Code of Conduct forms the basis for conduct and cooperation at Hypo Vorarlberg. Hypo Vorarlberg's seven brand values – Excellent, Mindful, Interconnected, Reliable, Consistent, Efficient and Ambitious – shape day-to-day cooperation and create a shared corporate culture.

To promote the corporate culture, key guidelines are made available to all employees in a dedicated section on the intranet for HR, corporate culture and communication. New employees are familiarised with the company values during onboarding. This is achieved through a training presentation that sets out the company's values and expectations and a handout containing the brand values. In addition, binding management principles have been defined that are consistent with the seven brand values and that guide managers' day-to-day conduct. To strengthen the corporate culture, joint events such as Christmas parties and company outings are organised regularly. These promote cohesion, support the Bank's values and reflect its corporate culture in practice.

10a) Description of mechanisms for identifying unlawful conduct and accommodation of internal/external stakeholders
Hypo Vorarlberg has established the following mechanisms for reporting, identifying and investigating violations of statutory provisions or internal policies.

WHISTLEBLOWING SYSTEM

An independent whistleblowing system is available for reporting violations. Information can be submitted anonymously or accompanied by personal data. The system guarantees the protection of the whistleblower's personal data.
Reports received via the whistleblowing system are documented in a protected database that can only be accessed by the Head of Compliance and Outsourcing, the Head of Group Internal Audit and Internal Audit and the Chair of the Works Council (to a limited extent).
In the event of an offence, the information received is examined and measures are initiated if there are reasonable grounds for suspicion. These measures are always proportionate and limited to what is necessary so as not to place an unreasonable burden on the data subject.

COMPLAINTS MANAGEMENT

To ensure transparency and accountability, the rules governing Hypo Vorarlberg's complaints procedure are made publicly available on the company's website. Complaints may be submitted by customers and other affected parties via various channels, including in writing, by telephone or in person at a branch.
Complaints received are forwarded to the ombudsman, where they are carefully examined and processed. A complaint form is available on the Bank's website to facilitate the submission of complaints. Hypo Vorarlberg is guided by tried-and-tested standards such as those used by its subsidiaries in Bolzano, where similar systems for whistleblower protection and customer complaints have been established.

10ci-ii, d) Disclosures on whistleblower protection mechanisms, including internal reporting channels and protection against retaliation
The whistleblowing procedure ensures the protection of personal data. Whistleblowing reports are entered into a database that can only be accessed by the Head of Compliance and Outsourcing, the Head of Group Internal Audit and Internal Audit and the Chair of the Works Council (to a limited extent). The whistleblower can choose whether to submit an open report or a protected report, which allows information to be submitted anonymously. All employees are made aware of the whistleblowing system during the onboarding days at the start of their employment. The corresponding policy is made available to all employees on the intranet.

Under the requirements of the GDPR and the HSchG, all notices and associated correspondence must be deleted if the purpose of storage no longer applies and there are no legal obligations requiring their continued storage. Personal data that is not required for processing a report must not be collected or must be erased immediately.

10e) Disclosure of whether the undertaking has procedures in place to investigate business conduct incidents promptly, independently and objectively
Hypo Vorarlberg has clearly defined procedures for investigating business conduct incidents, including cases of corruption and bribery. In the event of an initial suspicion of actions that correspond to the organisation-specific definition of fraud, Internal Audit is responsible for clarifying the matter promptly as part of a special forensic investigation. This also applies to violations of the Code of Conduct with regard to offences of bribery or corruption.
The basic principles for the professional practice of internal auditing include but are not limited to integrity, objectivity and independence.

10g) Disclosures on the undertaking's strategy for training within the organisation on business conduct, including target audience, frequency and depth of coverage
Hypo Vorarlberg's core values, which are communicated in the onboarding days, form the basis for conduct and cooperation within the company. They are conveyed through the mission statement, reinforced in day-to-day interactions and internal meetings and actively practised by management.
A structured training programme is in place to ensure that employees are aware of the corporate culture and comply with both statutory and internal requirements. Among other things, this includes the "Hypo Bildung" online platform, which allows employees to regularly participate in refresher training.
New employees are provided with a summary of the general compliance rules, the compliance policy and other relevant documents as part of the onboarding days. They are also provided with basic knowledge in the areas of corruption prevention, data protection, combating money laundering and terrorism, and whistleblowing.

All employees are required to complete the following training courses and knowledge tests each year:
- Corruption prevention: 25 minutes
- Compliance knowledge check: 30 minutes
- Money laundering knowledge check: 30 minutes

These measures ensure the consistent promotion of a corporate culture that complies with the law and the Bank's values, as well as guaranteeing adherence to all relevant internal and legal requirements.

10h) Identification of the functions within the undertaking that are most at risk in respect of corruption
All Hypo Vorarlberg employees can potentially be affected by corruption, but certain functions have a higher risk in respect of bribery and corruption. These are analysed in more detail below.

SALES AND CUSTOMER SERVICE
Employees in sales and customer service roles come into direct contact with customers and have decision-making powers that could be misused to gain unlawful advantages.

PURCHASING AND PROCUREMENT
Important decisions concerning the selection of suppliers and the content of contracts are made in this function. This entails a considerable risk of bribery and corruption.

FINANCE AND ACCOUNTING
Employees in this area have access to financial information and resources that could be misused to conceal unlawful payments or transfers.

MANAGERS
Managers often have far-reaching decision-making powers and influence over business conduct, which could make them a target for bribery attempts.

COMPLIANCE AND LEGAL EMPLOYEES
Employees of the Compliance and Legal departments are responsible for compliance with laws and regulations and may be tempted to cover up violations.

DISCLOSURE REQUIREMENT G1-2 – MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

14) Description of the strategy to prevent late payments, specifically to small and medium-sized enterprises (SMEs)
As a matter of principle, Hypo Vorarlberg endeavours to pay its incoming invoices without delay, regardless of the payment terms granted by suppliers. It does not distinguish between large companies and SMEs or perform any other categorisation of suppliers. The process is ensured and evaluated using the strict dual control principle prescribed by the internal control system (ICS). The procedure for invoices is summarised in the "Material expenses" work instruction, which also states that additional monitoring must be performed above and beyond the dual control principle depending on the amount of the invoice.

15a) Disclosure of the undertaking's approach to relationships with its suppliers
Under the "Sustainable procurement and circular economy in business operations" policy, the company focuses on existing business relationships and regionality when selecting suppliers (see G1-1).

15b) Disclosures on whether and how social and environmental criteria are taken into account in the selection of suppliers
The standards to be complied with are defined for different product groups (e.g. ISO Type 1 Ecolabel). Companies that implement environmental, social and sustainability standards can be favoured or actively approached when awarding contracts. For example, these may include the following standards:
- Environmental management system according to EMAS or ISO 14001
- Energy management system according to ISO 50001
- Ökoprofit partner

DISCLOSURE REQUIREMENT G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

18a) Description of the procedures in place to prevent, detect and address incidents of corruption and bribery
There is a dedicated work instruction on preventing and combating corruption and bribery. It stipulates that, as a matter of principle, giving, offering or accepting money, material or other benefits is not permitted in respect of customers, suppliers, public officials or third parties in any and all activities. This applies regardless of whether or not this is done with the intention of generating a profit or gaining an advantage. The work instruction also specifies how employees must handle gifts and invitations from customers or business partners. The guidelines issued by the Austrian Ministry of Justice in connection with the introduction of the Corruption Criminal Code Amendment Act 2012 serve as the basis for the internal work instruction. Hypo Vorarlberg is also guided by the United Nations Convention against Corruption (UNCAC).

18b) Disclosure of whether the investigators or investigating committee are separate from the chain of management involved in the matter
Both Compliance and Internal Audit are defined as internal but independent executive departments. The utmost care is taken to ensure their complete independence. The structure is based on the IIA's Three Lines Model.
Employees in control functions do not perform any operational tasks that fall within an area of activity that is monitored and controlled by the respective department. The independence of the control functions is also ensured through the organisational separation of the business activities to be controlled.

18c) Disclosure of the process to report outcomes to the administrative, management and supervisory bodies
The Compliance and Outsourcing department reports to the Managing Board and Supervisory Board annually. In addition to reporting to the Managing Board, Internal Audit regularly reports to the Chairman of the Supervisory Board and participates in the meetings of both the Supervisory Board and the Risk Committee, where it reports and answers questions.

20) Disclosure of how the undertaking communicates its policies in an understandable and accessible manner
The policies listed (see G1-1.7) can be viewed by all employees on Hypo Vorarlberg's intranet.

21) Disclosures related to training
21a) Nature, scope and depth of anti-corruption and anti-bribery training programmes
Hypo Vorarlberg ensures that the policies for identifying and preventing corruption and bribery are effectively communicated to all relevant stakeholders and made accessible to them at all times. This is achieved in various ways. Firstly, all relevant documents are regularly updated and made available to new employees during the onboarding days, which are mandatory for all new employees. A general compliance and money laundering training course (lasting 120 minutes) is completed as part of the onboarding days. Hypo Vorarlberg also offers interactive web-based training courses that must be completed annually to ensure that all employees are familiar with the policies. The training programme is regularly reviewed so that content can be expanded or updated as necessary.

21b) Percentage of functions at risk covered by training programmes
In the reporting year, 311 out of 323 people at risk (96.28%) took part in one of the training courses listed below.

21c) The extent to which training is given to members of the administrative, management and supervisory bodies
The following table provides an overview of the training courses for members of the administrative, management and supervisory bodies in 2025 at Group level.

	Functions at risk	Managers	Executive bodies	Other own employees
Coverage through training				
Total[24]	323	149	18	584
Total number of people trained	311	141	18	530
Training method and duration				
Classroom-based training[25]	2 hours	2 hours		2 hours
Computer-based training	85 min	85 min	60 min	85 min
Voluntary computer-based training[26]	300 min	300 min		300 min
Frequency				
How often is training required?	Annually	Annually	Annually	Annually
Topics covered				
Corruption prevention	X	X		X
Fraud and embezzlement	X	X		X
Whistleblowing	X	X		X
Compliance	X	X		X
Fit & Proper			X	

Hypo Vorarlberg offers training, learning programmes and knowledge checks relating to compliance, money laundering and corruption to all employees. This includes both mandatory and voluntary training. Mandatory training programmes (knowledge checks) lasting 85 minutes must be completed annually. Employees may complete up to 300 minutes of voluntary web-based learning covering the topics listed above.

[24] Overlaps are possible, e.g. where employees complete more than one unit (training courses, learning programme, knowledge check).
This table does not include employees who were on parental leave, who retired or who left the company in 2025.
[25] Classroom-based training sessions lasting up to two hours were held for all new employees.
[26] Lasting up to 300 minutes.

COMPLIANCE TRAINING IN 2025

In 2025, a total of 665 people took part in the mandatory compliance knowledge check lasting 30 minutes. 52 people also completed a voluntary learning programme on the subject of compliance, including a test, lasting at least 60 minutes in total. Of the 665 participants, 226 were at risk, including 102 managers who also successfully completed the mandatory knowledge check. 32 persons at risk also voluntarily completed the extended compliance learning programme, including a test, lasting at least 60 minutes.

MONEY LAUNDERING TRAINING IN 2025

In 2025, a total of 382 people at Hypo Vorarlberg and the subsidiary Hypo Vorarlberg Immobilien & Leasing successfully completed the mandatory annual knowledge check on the subject of money laundering lasting 30 minutes. 70 people also completed a voluntary learning programme on money laundering, including a test, lasting at least 60 minutes.

Of the 382 participants, 161 were at risk, including 60 managers who successfully completed the mandatory knowledge check. 103 people, including 43 persons at risk, also voluntarily took part in the extended money laundering learning programme including a test.

At the St. Gallen branch, six people completed a 60-minute money laundering training course, including two persons at risk. At the subsidiaries Hypo Vorarlberg Leasing in Bolzano and Hypo Vorarlberg Immo Italia, 45 people completed a money laundering training programme lasting 180 minutes, including 21 persons at risk and 17 managers.

CORRUPTION PREVENTION TRAINING IN 2025

In 2025, a total of 658 people successfully completed the mandatory annual knowledge check on corruption prevention lasting 25 minutes. 224 of the participants were persons at risk, including 102 managers. At the subsidiary Hypo Vorarlberg Immobilien & Leasing, 38 employees participated in anti-corruption training lasting 25 minutes. 28 of the participants were persons at risk, including nine managers. A quarterly meeting at the St. Gallen branch addressing the topic of corruption is attended by five people, including five persons at risk. Anti-corruption training lasting 120 minutes was conducted at the subsidiaries Hypo Vorarlberg Leasing in Bolzano and Hypo Vorarlberg Immo Italia in 2025. A total of 44 people took part, including 24 persons at risk.

13 out of 18 members of executive bodies participated in a Fit & Proper regulatory update lasting at least 60 minutes. In addition, all executive bodies undergo continuous self-study.

At Hypo Vorarlberg Immobilien & Leasing GmbH, all managing directors participated in a Fit & Proper regulatory update lasting 60 minutes.

METRICS AND TARGETS

DISCLOSURE REQUIREMENT G1-4 – CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

24a) Number of convictions and amount of fines for violations of anti-corruption and anti-bribery laws

There were no convictions at Hypo Vorarlberg for violations of anti-corruption and anti-bribery laws in the 2025 reporting year. The Bank aims to continue to prevent corruption and bribery altogether and to ensure that no confirmed cases are recorded. To this end, its target is a training rate of over 90% among all those classified as being at particular risk.

24b) Disclosures on actions taken to address violations and to prevent corruption and bribery

Preventing and combating corruption
Key measures
Taken
▪ All employees can report potential violations relating to corruption or bribery via the whistleblowing system if they have suspicions they wish to report. ▪ In the event of an initial suspicion of actions that correspond to the organisation-specific definition of fraud, Group Internal Audit and Internal Audit are responsible for clarifying the matter promptly as part of a special forensic investigation. This also applies to violations of the Code of Conduct with regard to offences of bribery or corruption. ▪ If an offence involving an employee is confirmed, appropriate disciplinary action is taken. Depending on the severity of the offence, this may involve consequences up to and including dismissal. ▪ As a preventive measure, all external stakeholders are actively informed about the rules of conduct via the Code of Conduct and the “Corruption prevention” policy. ▪ All new employees receive introductory training on various Hypo Vorarlberg policies as well as web-based training on the “Corruption prevention” policy. The policies are also made available to all employees on the company’s intranet.
Planned
The approaches taken to date have proved to be extremely effective. Hypo Vorarlberg firmly believes that continuity in the field of governance is crucial to achieving sustainable results. Following the successful implementation of the measures previously planned, the focus is now on continuing the activities that are already in progress and deepening their impact. This involves ensuring compliance with the existing measures. The stated aim is to ensure that existing measures are effective in the long term and to further build on their positive effects, rather than constantly launching new initiatives that could fragment resources. However, potential future measures are also continuously evaluated.

Expected results	
The expected result of the measures already taken is that, as has been the case to date, there will be no violations or cases of corruption or bribery. In addition, the implemented processes are expected to allow potential suspected and actual violations to be identified and clarified promptly.	
Contribution to the realisation of the objectives and targets of the policy	
The measures taken are consistent with the objective of the "Whistleblowing" and "Corruption prevention" policies, which essentially contain provisions on preventing violations of anti-corruption and anti-bribery standards. The material impacts, risks and opportunities are addressed in a targeted manner through the measures already taken and planned: G11 and G18.	
Scope	
In accordance with the "Whistleblowing" and "Corruption prevention" policies, the scope of application for the measures taken is also Hypo Vorarlberg.	
Time horizons	
The measures implemented represent a long-term process (PDCA) that is regularly reviewed so that measures already taken can be adjusted and potential measures planned.	
Key remedial measures	
A prompt, independent and objective forensic investigation is initiated in the event of incidents relating to the Code of Conduct, including corruption and bribery, which have a material impact. Employees can also submit reports anonymously via the secure whistleblowing system if they have suspicions they wish to report.	
Progress	
The measures taken to prevent corruption and bribery have already been implemented. They are reviewed annually and adjusted as necessary. The results to date have shown that no incidents of bribery or corruption were reported or identified in the 2025 reporting year.	

ESRS 2 69a-c) Disclosure requirements for action plans with significant OpEx and/or CapEx requirements
The allocation of current and future operating expenditures and capital expenditures was not carried out in the current reporting period. As this data was not collected in the reporting period, no information is available.

DISCLOSURE REQUIREMENT G1-6 – PAYMENT PRACTICES

33a) Disclosure of the average time the undertaking takes to pay an invoice
The average processing time was determined on the basis of a random sample of 10 suppliers – consisting of large, small and medium-sized companies – and a total of 460 invoices. The average processing time for invoices (receipt – processing – payment) was 3.32 calendar days (median: 3 calendar days). The sample contains both invoices that were paid on the same day and invoices that were settled with a delay for various reasons.

As a matter of principle, Hypo Vorarlberg endeavours to pay all invoices on the day they are received, regardless of the supplier. Invoices are carefully checked and processed in accordance with the relevant work instructions. The invoice payment process is defined in the internal control system.

33b) Disclosure of the undertaking's standard payment terms in number of days, disaggregated by main categories of suppliers
The Group's internal requirements provide for the immediate settlement of invoices received. Hypo Vorarlberg does not allocate suppliers to different categories. All suppliers (large, small and medium-sized companies) are treated equally.

33b) Percentage of payments aligned with these standard payment terms
The percentage of payments aligned with the standard payment terms is almost 100%. In a small number of exceptional cases, this period may be exceeded in the event of problems with the delivery or provision of services.

33c) Disclosure of the number of legal proceedings for late payments currently outstanding
There were no legal proceedings for late payments in 2025.

33d) Complementary information necessary to provide context on payment practices
The payment practices are based on rules and work instructions that originally served to ensure regular payment runs. The content of these regulations is intended to ensure that the payment process is audit-proof and traceable.

Bregenz, 30 March 2026

Hypo Vorarlberg Bank AG
The Managing Board

Michel Haller
Chairman of the Managing Board

Philipp Hämmerle
Member of the Managing Board

Stephan Sausgruber
Member of the Managing Board

REPORT ON THE INDEPENDENT AUDIT

To the members of the Managing Board
Hypo Vorarlberg Bank AG
Hypo-Passage 1
6900 Bregenz
Austria

Report on the independent audit of the consolidated non-financial statement for 2025

We have conducted a limited assurance engagement on the consolidated non-financial statement of Hypo Vorarlberg Bank AG (hereinafter also referred to as the "company" or the "Group") for the financial year ended 31 December 2025.

Summary assessment with limited assurance

Based on the audit procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial statement for 2025 is not consistent, in all material respects, with the legal requirements of sections 243b and 267a of the Austrian Commercial Code (UGB), including

- compliance with the statutory reporting requirements set out in Article 8 of the Taxonomy Regulation (EU) 2020/852 (hereinafter referred to as the "EU Taxonomy Regulation"),
- compliance with the standards for the consolidated non-financial statement (European Sustainability Reporting Standards, hereinafter referred to as "ESRS"), and
- the consistency of the procedure performed to obtain the information required to be reported under ESRS (hereafter referred to as the "materiality analysis process") with the description of the company in the disclosure on ESRS 2 IRO-1.

Basis for the summary assessment

We conducted our limited assurance engagement in accordance with Austrian professional standards on other assurance engagements and supplementary statements as well as the International Standard on Assurance Engagements (ISAE 3000 Revised) applicable to such engagements. The nature and timing of the audit procedures in a limited assurance engagement differ from those in a reasonable assurance engagement and are less extensive. Consequently, the level of assurance achieved in a limited assurance engagement is significantly lower than in a reasonable assurance engagement.
Our responsibilities under the above requirements and standards are further described in the "Responsibilities of the auditor of the consolidated non-financial statement" section of our assurance report.

We are independent of Hypo Vorarlberg Bank AG in accordance with the provisions of Austrian commercial and professional law and we have fulfilled our other professional duties in accordance with these requirements.

Our audit organisation employs a comprehensive quality management system, including documented policies and procedures to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the audit evidence we have obtained up to the date of the assurance report is sufficient and appropriate to provide a basis for our summary assessment as of that date.

Other information

The legal representatives are responsible for the other information. The other information comprises all information in the consolidated financial statements, the Group management report and the annual report, with the exception of the consolidated non-financial statement and our assurance report. The annual report is expected to be provided to us after the date of the assurance report.

Our summary assessment of the consolidated non-financial statement does not extend to this other information. In connection with our audit of the consolidated non-financial statement, our responsibility is to read the other information and, in doing so, consider whether it is materially inconsistent with the consolidated non-financial statement or with the knowledge obtained during our limited assurance engagement or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

In connection with our audit of the consolidated non-financial statement, our responsibility is to read the other information where available and, in doing so, consider whether it is materially inconsistent with the consolidated non-financial statement or with the knowledge obtained during our audit of the consolidated non-financial statement or otherwise appears to be materially misstated.

Responsibilities of the legal representatives and the Supervisory Board

The legal representatives are responsible for developing and implementing a materiality analysis process and presenting this process in the disclosures on ESRS 2 IRO-1. This responsibility includes

- gaining an understanding of the environment in which the Group's activities and business relationships take place and gaining an understanding of the stakeholders affected,
- identifying actual and potential impacts (both negative and positive) related to sustainability aspects, as well as risks and opportunities that have an impact or could be reasonably expected to have an impact on the Group's net assets, financial position and results of operations, access to financing or cost of capital in the short, medium or long term,
- assessing the materiality of the identified impacts, risks and opportunities related to sustainability aspects by selecting and applying appropriate estimates and thresholds, and
- making assumptions and estimates that are reasonable in the circumstances.

The legal representatives are also responsible for the preparation of a consolidated non-financial statement that includes all information identified by the process in accordance with the applicable requirements and standards, including

- compliance with the requirements of sections 243b and 267a UGB and
- inclusion of disclosures in the consolidated non-financial statement in accordance with the EU Taxonomy Regulation, as well as
- compliance with ESRS.

This responsibility also includes

- designing, implementing and maintaining internal controls determined necessary by the legal representatives to enable the preparation of a consolidated non-financial statement that is free from material misstatements, whether due to fraud or error, and
- selecting and applying appropriate methods for the consolidated non-financial statement and making assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

The Supervisory Board is responsible for monitoring the materiality analysis process and the preparation of the consolidated non-financial statement.
Inherent limitations in the preparation of the consolidated non-financial statement

When reporting on forward-looking information, the company is obliged to prepare this forward-looking information on the basis of disclosed assumptions about events that could occur in future and possible future actions by the company. The actual results are likely to differ from this information as expected events often do not materialise as assumed.

When determining the disclosures in accordance with the EU Taxonomy Regulation, the legal representatives are obliged to interpret ambiguous legal terms. Ambiguous legal terms may be subject to various interpretations, including with regard to the legal conformity of their interpretation, and are therefore subject to uncertainties.

Responsibilities of the auditor of the consolidated non-financial statement

Our objectives are to plan and conduct an engagement to obtain limited assurance as to whether the consolidated non-financial statement in accordance with the requirements of sections 243b and 267a UGB, the reporting in accordance with the EU Taxonomy Regulation and the reporting in accordance with the ESRS requirements, including the materiality analysis process, are free from material misstatements, whether due to fraud or error, and to issue a report that includes our summary assessment. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could be reasonably expected to influence the economic decisions of users taken on the basis of this consolidated non-financial statement.

Throughout the engagement, we exercise professional judgement and maintain professional scepticism.

Our responsibility for the audit of the consolidated non-financial statement with regard to the materiality analysis process includes:

- performing risk-based audit procedures, including obtaining an understanding of internal controls relevant to the engagement, in order to identify risks that may cause the process to fail to comply with the applicable ESRS requirements, but not for the purpose of expressing a conclusion on the effectiveness of this process, and
- developing and performing audit procedures to evaluate whether the process is consistent with the description of the company in the disclosure on ESRS 2 IRO-1.
- Our other responsibilities in relation to the limited assurance audit of the consolidated non-financial statement include:
- performing risk-based audit procedures, including obtaining an understanding of internal controls relevant to the engagement, in order to identify disclosures that are more likely to be materially misstated, whether due to fraud or error, but not for the purpose of issuing a summary assessment on the effectiveness of the company's internal controls; and
- developing and performing audit procedures related to information in the consolidated non-financial statement that are more likely to be materially misstated. The risk of not detecting material misstatements resulting from fraud is higher than for material misstatements resulting from errors, as fraudulent activities may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

Summary of the work performed

A limited assurance engagement involves performing audit procedures to obtain evidence about the consolidated non-financial statement.

The nature, timing and extent of the selected audit procedures depend on professional judgement, including identifying information in the consolidated non-financial statement that may be materially misstated, whether due to fraud or error.

In performing our limited assurance engagement with regard to the materiality analysis process, we proceed as follows:

- We gain an understanding of the process by
  - conducting inquiries to understand the sources of information used by the legal representatives (e.g. stakeholder engagement, business plans and strategy documents); and
  - review the company's internal procedural documentation.
- We assess whether the evidence regarding the procedures implemented by the company obtained from our audit procedures is consistent with the description in the disclosure on ESRS 2 IRO-1.

In performing our limited assurance audit of the consolidated non-financial statement, we proceed as follows:

- We obtain an understanding of the company's processes relevant to the preparation of the consolidated non-financial statement.
- We assess whether all of the information obtained through the materiality analysis process has been included in the consolidated non-financial statement.
- We assess whether the structure and presentation of the consolidated non-financial statement is consistent with ESRS.
- We conduct inquiries with relevant personnel and analytical audit procedures regarding selected disclosures in the consolidated non-financial statement.
- We perform substantive audit procedures regarding selected disclosures in the consolidated non-financial statement on a sample basis.
- We obtain evidence about the methods presented for developing estimates and forward-looking information.
- We reconcile selected information in the consolidated non-financial statement with the corresponding information in the consolidated financial statements and the other sections of the Group management report.
- We assess whether the requirements of sections 243b and 267a UGB have been adequately addressed.

Limitation of liability and publication

The limited assurance audit of the consolidated non-financial statement is a voluntary assurance engagement.

We issue this assurance report on the basis of the audit agreement concluded with the client, which also applies to third parties on the basis of the attached General Conditions of Contract for the Public Accounting Professions (AAB 2018).

With regard to our responsibility and liability arising from the contractual relationship, point 7 of AAB 2018 applies. We are liable only in cases of intent and gross negligence. In the case of gross negligence, our liability for compensation shall not exceed ten times the minimum sum insured under the professional liability insurance pursuant to section 11 of the Austrian Public Accounting Professions Act 2017, i.e. a total of EUR 726,730.00. The limitation period shall be determined in accordance with point 7 (4) of AAB 2018.

The assurance report on the audit may only be made available to third parties together with the consolidated non-financial statement and only in complete and unabridged form. As our report is prepared solely on behalf of and in the interests of the company, it does not form the basis for any reliance by third parties on its content and claims by third parties cannot be asserted on this basis.

Vienna, 30 March 2026

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Roland Unterweger eh — Andrea Stippl eh

Austrian Certified Public Accountant — Austrian Certified Public Accountant

IFRS CONSOLIDATED FI-NANCIAL STATEMENTS

A GOOD TRACK RECORD

CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS FOR THE YEAR ENDED 31 DECEMBER 2025

I. STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2025

Income statement

TEUR	Notes	2025	2024	Change in TEUR	Change in%
Interest and similar income according to the effective interest		395,724	474,199	-78,475	-16.5
Other interest and similar income		122,907	192,735	-69,828	-36.2
Interest and similar expenses according to the effective interest		-215,510	-246,488	30,978	-12.6
Other interest and similar expenses		-93,966	-186,753	92,787	-49.7
Net interest income	(5)	209,155	233,693	-24,538	-10.5
Dividend income		273	381	-108	-28.3
Fee and commission income		47,403	47,139	264	0.6
Fee and commission expenses		-7,569	-8,189	620	-7.6
Net fee and commission income	(6)	39,834	38,950	884	2.3
Net result from financial instruments at amortised cost	(7)	224	94	130	>100.0
Net result from financial instruments at fair value	(8)	-14,988	-2,608	-12,380	>100.0
Other income	(9)	28,110	19,533	8,577	43.9
Other expenses	(10)	-26,831	-25,086	-1,745	7.0
Administrative expenses	(11)	-138,150	-132,564	-5,586	4.2
Depreciation and amortisation		-7,969	-8,184	215	-2.6
Loan loss provisions and impairment of financial assets	(12)	-18,292	-66,209	47,917	-72.4
Impairment of non-financial assets	(13)	-1,599	-666	-933	>100.0
Net result from shares in companies measured at equity		749	724	25	3.5
Earnings before taxes		70,516	58,058	12,458	21.5
Taxes on income	(14)	-17,268	-15,608	-1,660	10.6
Net income for the year		53,248	42,450	10,798	25.4
of which attributable to owners of the parent company		53,224	42,434	10,790	25.4
of which attributable to non-controlling interests		24	16	8	50.0

Other income

TEUR	Notes	2025	2024	Change in TEUR	Change in%
Other income (OCI)		-4,528	-4,690	162	-3.5
OCI w/o recycling		-4,559	-4,750	191	-4.0
Actuarial result IAS 19		1,180	-76	1,256	-
Measurement of own credit risks for liabilities at fair value		-7,092	-6,089	-1,003	16.5
Income tax effects		1,353	1,415	-62	-4.4
OCI with recycling		31	60	-29	-48.3
Foreign currency translation		31	60	-29	-48.3
Comprehensive income for the year		48,720	37,760	10,960	29.0
of which attributable to owners of the parent company		48,696	37,744	10,952	29.0
of which attributable to non-controlling interests		24	16	8	50.0

II. BALANCE SHEET
AS AT 31 DECEMBER 2025

Assets

TEUR	Notes	31.12.2025	31.12.2024	Change in TEUR	Change in%
Cash reserve	(15)	433,133	509,933	-76,800	-15.1
Trading assets	(16)	106,635	104,076	2,559	2.5
Financial assets at fair value (non-SPPI)	(17)	467,091	584,583	-117,492	-20.1
of which equity instruments		15,995	17,809	-1,814	-10.2
of which debt securities		99,635	134,566	-34,931	-26.0
of which loans and advances to customers		351,461	432,208	-80,747	-18.7
Financial assets at fair value (option)	(18)	127,795	199,208	-71,413	-35.8
of which debt securities		18,155	59,069	-40,914	-69.3
of which loans and advances to customers		109,640	140,139	-30,499	-21.8
Financial assets at amortised cost	(19)	13,677,995	13,294,829	383,166	2.9
of which debt securities		2,726,910	2,494,272	232,638	9.3
of which loans and advances to banks		183,423	235,195	-51,772	-22.0
of which loans and advances to customers		10,767,662	10,565,362	202,300	1.9
Positive market values of hedges	(20)	367,487	345,693	21,794	6.3
Fair value change portfolio from interest rate risks		-2,289	13,829	-16,118	-
Holdings		746	746	0	0
Shares in companies measured at equity		4,226	4,025	201	5.0
Property, plant and equipment		83,265	82,915	350	0.4
Investment property		41,908	45,237	-3,329	-7.4
Intangible assets		3,174	2,876	298	10.4
Income tax assets		30,890	18,265	12,625	69.1
Deferred tax assets	(21)	1,575	2,004	-429	-21.4
Other assets		36,783	42,106	-5,323	-12.6
Assets		**15,380,414**	**15,250,325**	**130,089**	**0.9**

Liabilities and shareholders' equity

TEUR	Notes	31.12.2025	31.12.2024	Change in TEUR	Change in%
Trading liabilities	(22)	57,197	54,440	2,757	5.1
Financial liabilities at fair value (option)	(23)	813,043	782,761	30,282	3.9
of which securitised liabilities		705,275	670,482	34,793	5.2
of which liabilities to customers		107,768	112,279	-4,511	-4.0
Financial liabilities at amortised cost	(24)	12,634,112	12,543,471	90,641	0.7
of which securitised liabilities		6,998,330	7,134,663	-136,333	-1.9
of which liabilities to banks		401,549	439,049	-37,500	-8.5
of which liabilities to customers		5,234,233	4,969,759	264,474	5.3
Negative market values of hedges	(20)	224,053	269,952	-45,899	-17.0
Provisions	(25)	37,978	41,454	-3,476	-8.4
Income tax obligations	(26)	1,810	2,450	-640	-26.1
Deferred tax liabilities	(27)	25,480	12,643	12,837	>100.0
Other liabilities		51,320	46,297	5,023	10.8
Shareholders' equity	(28)	1,535,421	1,496,857	38,564	2.6
of which attributable to owners of the parent company		1,535,371	1,496,810	38,561	2.6
of which attributable to non-controlling interests		50	47	3	6.4
Liabilities and shareholders' equity		**15,380,414**	**15,250,325**	**130,089**	**0.9**

III. STATEMENT OF CHANGES IN SHARE-HOLDERS' EQUITY

Statement of changes in shareholders' equity

TEUR	Subscribed capital	Capital reserve	Retained earnings and other reserves	Accumulated other comprehensive income	Total attributable to shareholders of the parent company	Non-controlling interests	Total shareholders' equity
Balance at 01.01.2024	162,152	44,674	1,243,617	13,058	1,463,501	31	1,463,532
Consolidated net income	0	0	42,434	0	42,434	16	42,450
Other income	0	0	0	-4,690	-4,690	0	-4,690
Comprehensive income at 31.12.2024	0	0	42,434	-4,690	37,744	16	37,760
Reclassifications	0	0	85	-85	0	0	0
Other changes	0	0	-1	0	-1	0	-1
Dividends	0	0	-4,434	0	-4,434	0	-4,434
Balance at 31.12.2024	162,152	44,674	1,281,701	8,283	1,496,810	47	1,496,857
Balance at 01.01.2025	162,152	44,674	1,281,701	8,283	1,496,810	47	1,496,857
Consolidated net income	0	0	53,224	0	53,224	24	53,248
Other income	0	0	0	-4,528	-4,528	0	-4,528
Comprehensive income at 31.12.2025	0	0	53,224	-4,528	48,696	24	48,720
Reclassifications	0	0	60	-60	0	0	0
Other changes	0	0	1	0	1	0	1
Dividends	0	0	-10,136	0	-10,136	-21	-10,157
Balance at 31 December 2025	162,152	44,674	1,324,850	3,695	1,535,371	50	1,535,421

Further details on equity and the composition of capital components – in particular accumulated other comprehensive income – are given in note (28).

IV. CASH FLOW STATEMENT

Cash flow from operating activities

TEUR	2025	2024
Consolidated net income	53,248	42,450
Non-cash items included in consolidated net income		
Write-downs/reversals of write-downs on property, plant and equipment	8,204	8,214
Write-downs/reversals of write-downs on financial instruments	23,602	3,109
Addition to/reversal of provisions and risk costs	5,081	46,364
Change in other non-cash items	-53,488	-128,770
Other adjustments (interest and income taxes)	-186,082	-207,575
Change in assets from operating activities		
Trading assets	2	0
Loans and advances at fair value (non-SPPI)	25,466	-8,400
Loans and advances at fair value (option)	49,717	31,221
Loans and advances at amortised cost	-108,159	20,511
Income tax assets	-12,625	-8,589
Other assets	8,457	-5,706
Change in liabilities from operating activities		
Non-subordinated liabilities at fair value (option)	53,609	-18,893
Non-subordinated liabilities at amortised cost	80,805	-360,578
Provisions	-3,789	-3,229
Income tax obligations	9,294	1,108
Other liabilities	4,932	-3,313
Interest received	506,782	639,417
Dividends received	273	381
Interest paid	-303,856	-417,549
Income taxes paid	-18,235	-18,665
Cash flow from operating activities	143,238	-388,492

Cash flow from investing activities

TEUR	2025	2024
Cash inflows from the sale/repayment of		
Financial instruments	519,946	542,704
Property, plant and equipment and intangible assets	2,633	2,883
Subsidiaries	0	15
Cash outflows for investments in		
Financial instruments	-725,837	-632,237
Property, plant and equipment and intangible assets	-11,292	-13,207
Cash flow from investing activities	-214,550	-99,842

Cash flow from financing activities

TEUR	2025	2024
Cash outflows for repayments of subordinated and tier 2 capital	-131	-60
Cash inflows from issuance of subordinated and tier 2 capital	3,682	22,499
Lease payments from operating leases	-1,880	-1,931
Dividends	-10,157	-4,434
Cash flow from financing activities	-8,486	16,074

Reconciliation to cash reserve

TEUR	2025	2024
Cash reserve as at 01.01.	509,933	976,271
Cash flow from operating activities	143,238	-388,492
Cash flow from investing activities	-214,550	-99,842
Cash flow from financing activities	-8,486	16,074
Effects of exchange rate changes	2,998	5,922
Cash reserve as at 31.12.	433,133	509,933

Further disclosures on the cash flow statement are shown under note (31).

V. NOTES

A. ACCOUNTING PRINCIPLES

(1) GENERAL INFORMATION

Hypo Vorarlberg Bank AG and its subsidiaries offer customers a broad spectrum of financial services. The core business segments are Corporate Customers, Private Customers and Private Banking. A range of leasing, insurance and real estate services are additionally offered. The Group's core market is Austria, as well as German-speaking Switzerland, Southern Germany and South Tyrol.

The Bank is a stock corporation with its registered office in Bregenz, Austria, and is registered in the commercial register of Feldkirch, Austria (FN 145586y). The Bank is the ultimate parent company of the companies included in the consolidated financial statements. The shareholders of the Bank are presented under note (37). The Bank's address is Hypo-Passage 1, 6900 Bregenz, Austria.

The consolidated financial statements for the 2024 financial year and the comparative figures for 2025 were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the international accounting standards adopted by the EU on the basis of IAS Regulation (EC) No 1606/2002 including the applicable interpretations by the International Financial Reporting Interpretations Committee (IFRIC/SIC), and therefore fulfil the requirements of section 59a of the Austrian Banking Act (BWG) and section 245a of the Austrian Commercial Code (UGB).

On 30 March 2026, the Managing Board of Hypo Vorarlberg Bank AG authorised the release of these annual financial statements.

All amounts are stated in thousands of euro (TEUR) unless otherwise specified. The tables below may contain rounding differences.

(2) PRINCIPLES AND SCOPE OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Hypo Vorarlberg Bank AG and its subsidiaries for the year ended 31 December 2025. Subsidiaries are fully consolidated from the acquisition date, i.e. from the date on which the Group obtains control. Consolidation ends as soon as the parent company ceases to control the subsidiary. The financial statements of the subsidiaries are prepared using the same accounting policies and reporting period as the financial statements of the parent company. Intragroup expenses, income, receivables and liabilities are eliminated on consolidation. Currency-related differences from debt consolidation and the elimination of income and expenses are recognised through profit and loss in the net result from financial instruments at fair value (8). The results of intragroup transactions are eliminated unless they are immaterial. The deferred taxes required by IAS 12 are recognised on temporary differences from consolidation. The amount of non-controlling interests is determined according to the interests of minority shareholders in the equity of the subsidiaries.

In addition to the parent company, the consolidated financial statements include 27 subsidiaries (2024: 28) in which Hypo Vorarlberg directly or indirectly holds more than 50% of the voting rights or over which it otherwise exercises a controlling influence. Of these companies, 24 are domiciled in Austria (2024: 25) and three abroad (2024: three).

"HI Copa Immobilien GmbH" was founded effective 30 January 2025. The new subsidiary is wholly owned by Hypo Immobilien Besitz GmbH.

In addition, HYPO EQUITY Unternehmensbeteiligung AG was merged into HYPO EQUITY Beteiligungs GmbH, which is in liquidation, effective 23 May 2025.

The Group's investments in associates in accordance with IAS 28 and joint ventures in accordance with IFRS 11 are accounted for using the equity method. Associates are companies that are not controlled by Hypo Vorarlberg but over which it has significant influence, either directly or indirectly. Significant influence is typically considered to exist where Hypo Vorarlberg holds at least 20.00% of the shares in the respective company. Where it holds less than 20.00% of the shares, it may also be considered to have significant influence if its approval is required for key decisions or if it is represented on management or supervisory bodies, for example.

Two (2024: two) significant domestic companies are accounted for using the equity method.

Hypo Vorarlberg holds shares in one associate that is not accounted for using the equity method due to immateriality. These shares are reported at fair value under holdings. Based on the available financial statement data, the (aggregated) total assets of this holding amounted to TEUR 929 in the past financial year (2024: TEUR 518). The aggregate equity of this holding amounts to TEUR 37 (2024: TEUR 37). No earnings after taxes were generated in the 2025 reporting year or in the previous year.

The reporting date of the consolidated financial statements corresponds to the reporting date of the companies included in the consolidated financial statements.

A full presentation of the subsidiaries and associates included in the consolidated financial statements can be found in section J of the consolidated financial statements.

(3) ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are outlined below. Unless stated otherwise, the consolidated companies applied the policies described uniformly and consistently to the reporting periods presented. Items were recognised and measured on a going concern basis. More detailed descriptions of the accounting policies can be found in the corresponding notes.

Accounting policies	Notes/balance sheet and income statement items	IFRS
Currency translation	(3a) Currency translation	IAS 21
Segment reporting	E. Segment Reporting	IFRS 8
Financial instruments – classification and measurement	(15) Cash reserve (16) Trading assets (17) Financial assets at fair value (non-SPPI) (18) Financial assets at fair value (option) (19) Financial assets at amortised cost	IFRS 9 / IFRS 7 / IAS 32
Hedges	(8) Net result from financial instruments at fair value (20) Market values of hedges	IFRS 9 / IFRS 7 / IAS 39
Net interest income	(5) Net interest income	IAS 1
Financial instruments – impairment	(44) Impairment of financial instruments	IFRS 9 / IFRS 7
Fair value disclosures	(42) Fair value disclosures	IFRS 9 / IFRS 7 / IFRS 13
Net fee and commission income	(6) Net fee and commission income	IFRS 9 / IFRS 15
Investment property	Investment property	IAS 40
Leases	(19) Financial assets at amortised cost (24) Financial liabilities at amortised cost	IFRS 16
Intangible assets and property, plant and equipment	Intangible assets Property, plant and equipment Depreciation and amortisation	IAS 38 / IAS 16
Impairment of non-financial assets	(13) Impairment of non-financial assets	IAS 36
Provisions	(25) Provisions	IAS 19 / IAS 37
Taxes	(14) Taxes on income (21) Deferred tax assets (26) Income tax obligations (27) Deferred tax liabilities	IAS 12
Consolidated cash flow statement	IV. Cash flow statement (31) Disclosures on the cash flow statement	IAS 7
Investments in subsidiaries and associates and interests in joint ventures	(2) Principles and scope of consolidation J. Subsidiaries and Holdings	IAS 28 / IFRS 10 / IFRS 11 / IFRS 12

a) Currency translation
These consolidated financial statements are prepared in euro, which is both the functional and the reporting currency of the Group. Monetary assets and liabilities not denominated in euro are translated into euro at the spot rate on the reporting date.

Gains and losses from the settlement of transactions in foreign currencies are recognised in the income statement in the net result from financial instruments at fair value (8). The translation differences from financial assets allocated to the categories at fair value (non-SPPI) and fair value (option) are recognised through profit or loss in the income statement in the net result from other financial instruments at fair value (8).

Assets and liabilities of the companies included in the consolidated financial statements are measured in the currencies that reflect their economic environments (functional currency). Where the functional currency of a company differs from the functional currency of the Group, the balance sheet and income statement are translated in accordance with IAS 21. Foreign exchange gains and losses resulting from capital consolidation are reported in other comprehensive income (28) in a separate item (OCI with recycling – Foreign currency translation).

b) Material judgements, assumptions and estimates
To prepare the consolidated financial statements, the management has to make estimates and assumptions affecting disclosures on the balance sheet and in the notes and the recognition of income and expenses during the reporting period. These relate primarily to estimating the value of assets, determining standard economic lives for property, plant and equipment throughout the Group and recognising and measuring provisions. The estimates and judgements are based on assumptions reflecting the latest information available. Expected future business development is estimated on the basis of the prevailing circumstances on the date the consolidated financial statements are prepared and realistic assumptions about the future development of the global and industry-specific environment. Developments in conditions that lie outside the management's sphere of influence may lead to differences between the actual amounts and the original estimates due to deviations from assumptions. Where estimates were required to a substantial extent, the assumptions made are described in the respective note for the item in question.

(4) APPLICATION OF NEW AND REVISED IFRSS AND IASS

IFRSs that are already effective at the end of the reporting period are taken into account in the consolidated financial statements.

a) First-time application of new and amended standards and interpretations

The IASB has adopted a number of amendments to existing standards and issued new standards and interpretations that are mandatory for 2025. These regulations are also applicable in the EU and relate to the following areas.

Standards and interpretations		Endorsement	Mandatory application	Impact on the Group
IAS 21	The Effects of Changes in Foreign Exchange Rates – Lack of Exchange-ability	12 November 2024	1 January 2025	None

b) New standards and interpretations not yet applied

The IASB has issued further standards and revisions of standards that are not mandatory for the 2025 financial year. Hypo Vorarlberg chooses not to apply them early.

Standards and interpretations		Endorsement	Mandatory application	Impact on the Group
IFRS 7 and IFRS 9	Classification and Measurement of Financial Instruments	27 May 2025	1 January 2026	Immaterial
IFRS 7 and IFRS 9	Contracts Referencing Nature-dependent Electricity	30 June 2025	1 January 2026	Immaterial
Volume 11 IASB	Annual Improvements to the IFRSs (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	09 July 2025	1 January 2026	None
IFRS 18	Presentation and Disclosure in Financial Statements	13 February 2026	1 January 2027	Material
IFRS 19	Subsidiaries without Public Accountability	Pending	1 January 2027	None
IAS 21	The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency	Pending	1 January 2027	None

IFRS 18 "Presentation and Disclosure in Financial Statements"

The accounting standard IFRS 18 supersedes IAS 1 "Presentation of Financial Statements". The new standard is intended to increase the comparability of information on financial performance. One mandatory element is the introduction of additional subtotals in the statement of comprehensive income. IFRS 18 also contains provisions on the aggregation and disaggregation of material items. The IASB has issued guidelines regarding the disclosure and explanation of performance measures. The options available for classifying certain cash flows in the statement of the cash flows are limited. The standard is required to be applied for financial years beginning on or after 1 January 2027. The Group will implement the standard with effect from 1 January 2027 with the 2026 financial year as the comparative period. As at 31 December 2025, the analysis of the qualitative impact is almost complete and has been coordinated internally. The necessary adjustments to processes have been initiated. We expect the publication of IFRS 18 to have a significant impact on our financial reporting. It is not currently possible to estimate the specific quantitative impact on individual items of the financial statements.

B. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

Generally applicable accounting policies

Income is recognised if it is probable that the economic benefit will flow to the company and the income can be measured reliably. The following designations and criteria are used for the recognition of income in the income statement items:

(5) NET INTEREST INCOME

Accounting policy

Interest income is recognised on an accrual basis as long as the interest is expected to be collectible. In this context, income that predominantly represents consideration for the use of capital (mostly interest or similar income calculated on the basis of the passage of time or the amount of the receivable) is allocated to similar income. Interest expense is recognised in the same way as interest income. Differences arising from the purchase and issue of securities are allocated using the effective interest method. Negative interest is disclosed in the income statement under interest income from deposits and liabilities and interest expenses for loans and debt instruments. Negative interest amounts with respect to derivatives are offset. As derivatives that are not assigned to hedge accounting are generally used to hedge interest rate risks, the interest from derivatives is netted against the interest from the hedged items and reported in the respective interest item in order to show the interest result taking into account the economic hedge.

TEUR	2025	2024
Interest income from cash reserve	4,712	9,172
Interest income from financial assets at amortised cost	391,005	465,027
Interest income from liabilities	7	0
Interest and similar income according to the effective interest method	395,724	474,199
Interest income from trading assets	18,264	25,649
Interest income from hedging instruments	69,205	112,374
Interest income from financial assets at fair value (non-SPPI)	26,599	40,210
Interest income from financial assets at fair value (option)	8,839	14,502
Other interest and similar income	122,907	192,735
Interest expenses on financial liabilities at amortised cost	-215,455	-246,430
Interest expenses on other financial liabilities	-51	-58
Interest expenses on assets	-4	0
Interest and similar expenses according to the effective interest method	-215,510	-246,488
Interest expenses on trading liabilities	-1,568	-2,090
Interest expenses on hedging instruments	-66,136	-145,281
Interest expenses on financial liabilities at fair value (option)	-26,262	-39,382
Other interest and similar expenses	-93,966	-186,753
Net interest income	209,155	233,693

Interest income from leasing business amounted to TEUR 31,274 (2024: TEUR 37,919).

(6) NET FEE AND COMMISSION INCOME

Accounting policy

Fee and commission income and expenses include income from service business and the resulting expenses to third parties. This item also includes income and expenses primarily in connection with fees and commissions from payment transactions, securities business, lending business, insurance and real estate brokerage business and foreign exchange/currency business. Loan fees in connection with new financing are not recognised in commission income, but as a proportion of the effective interest rate in interest income.

Although fiduciary transactions that involve the holding or placing of assets on behalf of third parties are not reported on the balance sheet, commission payments for these transactions are reported in net fee and commission income.

TEUR	2025	2024
Fee and commission income from financing	5,241	5,647
Fee and commission income from securities	24,070	23,272
Fee and commission income from account management/payment transactions	15,378	15,484
Other fee and commission income	2,714	2,736
Fee and commission income	47,403	47,139

TEUR	2025	2024
Fee and commission expenses from financing	-3,423	-4,091
Fee and commission expenses from securities	-2,448	-2,505
Fee and commission expenses from account management/payment transactions	-1,455	-1,428
Other fee and commission expenses	-243	-165
Fee and commission expenses	-7,569	-8,189

Fee and commission income from financial assets or liabilities not classified as measured at fair value through profit or loss amounted to TEUR 13,122 (2024: TEUR 13,394). Fee and commission expenses from financial assets or liabilities not classified as measured at fair value through profit or loss amounted to TEUR 21 (2024: TEUR 36). Fee and commission income from fiduciary activities amounted to TEUR 1,753 (2024: TEUR 1,695).

(7) NET RESULT FROM FINANCIAL INSTRUMENTS AT AMORTISED COST

Accounting policy

This item includes realised gains and losses on financial instruments measured at amortised cost.

TEUR	2025	2024
Realised gains on financial assets at amortised cost	553	10
Reversals of write-downs on financial assets at amortised cost	605	0
Realised expenses for financial assets at amortised cost	-424	0
Impairment losses on financial assets at amortised cost	-45	0
Realised gains on financial liabilities at amortised cost	1,106	206
Reversals of write-downs on financial liabilities at amortised cost	164	20
Realised expenses for financial liabilities at amortised cost	-1,735	-142
Net result from financial instruments at amortised cost	224	94

(8) NET RESULT FROM FINANCIAL INSTRUMENTS AT FAIR VALUE

Accounting policy

This item comprises several components:

- Net trading result
- Net result from the remeasurement of derivatives
- Net result from financial assets and liabilities measured at fair value through profit or loss
- Net result from hedge accounting

As well as realised gains/losses, the net trading result also includes gains/losses on the remeasurement of trading activities. The net result from financial instruments at fair value also includes ineffective portions from hedging and currency gains and losses. The net result from financial instruments at fair value does not include interest and similar income or refinancing costs, which are shown in net interest income. The net result from the use of the fair value option does not include the net result from change in own credit risk, which is directly recognised in equity.

TEUR	2025	2024
Net trading result	9,882	-2,239
Gain/loss on measurement of derivative financial instruments	16,267	9,966
Gain/loss on financial assets at fair value (non-SPPI)	-57,783	1,291
Gain/loss on financial assets at fair value (option)	-2,057	2,988
Gain/loss on financial liabilities at fair value (option)	18,160	-10,511
Net result from hedge accounting	543	-4,103
Net result from financial instruments at fair value	-14,988	-2,608

The net trading result includes currency translation differences recognised through profit or loss from financial instruments at amortised cost in the amount of TEUR 20,933 (2024: TEUR -54,031) and currency translation differences from financial instruments measured at fair value through profit or loss in the amount of TEUR -11,048 (2024: TEUR 51,780).

Net result from hedge accounting

TEUR	2025	2024
Measurement of hedging instruments for financial assets at amortised cost	86,183	-98,188
Measurement of hedging instruments for financial liabilities at amortised cost	-28,220	169,624
Gain/loss on hedging instruments	57,963	71,436
Measurement of hedged items for financial assets at amortised cost	-84,626	92,061
Measurement of hedged items for financial liabilities at amortised cost	27,206	-167,600
Gain/loss on hedged items	-57,420	-75,539
Net result from hedge accounting	543	-4,103

Six hedges were terminated in 2025 (2024: four hedges). The basis adjustment to the hedged item of TEUR -322 (2024: TEUR 108) has therefore been distributed over the remaining term and recognised in net interest income (5).

(9) OTHER INCOME

Accounting policy

This item includes income that is not directly attributable to the operating activities of the Bank. This includes rental income from leased properties, revenue from instalment purchases from leasing customers, gains on the disposal of assets, other income from leasing business and operating cost income.

TEUR	2025	2024
Income from operating leases	4,964	4,637
Other income from leasing business	1,288	1,215
Operating cost income	3,140	2,808
Income from the disposal of non-financial assets	3,645	4,683
Income from consultancy and other services	538	726
Miscellaneous other income	14,535	5,464
Other income	28,110	19,533

Income from operating leases relates to rental income from leased properties. The change in miscellaneous other income was primarily due to the reversal of the provision for operational risks and instalment purchases at leasing subsidiaries. The minimum lease income from non-cancellable operating leases for future periods is shown in the table below.

Minimum lease income from operating leases

TEUR	2025	2024
Up to 1 year	4,092	4,031
1 to 2 years	3,097	3,115
2 to 3 years	2,840	2,918
3 to 4 years	1,434	784
4 to 5 years	481	564
More than 5 years	542	752
Minimum lease income from operating leases (lessor)	12,486	12,164

Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards incidental to ownership of the asset. All other leases are classified as operating leases.

Accounting as lessor

Leases are assessed according to whether the risks and rewards of ownership of the leased item are borne by the lessor or the lessee. A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards incidental to ownership of the leased asset. At Hypo Vorarlberg, this primarily relates to leased properties. Finance lease income is reported as interest income (5).

Finance leases	Presentation	Measurement
Loans and advances	(19) Financial assets at amortised cost	Net investment
Income	(5) Net interest income	
Income/expenses from the reversal of leases	(9) Other income (10) Other expenses	

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases	Presentation	Measurement
Leased items	Property, plant and equip- Investment property	Principles for the re-spective category
Lease income	(9) Other income	Straight-line basis over lease term
Maintenance ex-penses/operating costs	(10) Other expenses	
Depreciation and	Depreciation and amortisa-	

Judgements, estimates and assumptions

From the lessor's perspective, judgements are required in particular to differentiate between finance leases and operating leases, for which the applicable criterion is the transfer of substantially all the risks and rewards from the lessor to the lessee. The carrying amount of the finance leases subject to judgements, assumptions and estimates was TEUR 1,023,077 (2024: TEUR 1,020,284), while the carrying amount of the operating leases subject to judgements, assumptions and estimates was TEUR 8,099 (2024: TEUR 9,160).

(10) OTHER EXPENSES

Accounting policy

This item includes those expenses that are not directly attributable to the operating activities of the Bank. These include losses on the disposal of assets, cost of goods for instalment purchases by leasing customers, expenses from leasing business and operating expenses. This item also includes other tax expenses, insofar as these do not represent taxes on income and earnings, as well as expenses from claims and from operational risk.

TEUR	2025	2024
Other expenses from leasing business	-1,182	-1,564
Operating cost expenses	-4,063	-2,973
Expenses resulting from loss events	-1,392	-7,160
Other tax expenses	-10,562	-3,871
Losses on the disposal of non-financial assets	-2,307	-1,683
Amounts from resolution and deposit protection funds	-44	0
Miscellaneous other expenses	-7,281	-7,835
Other expenses	**-26,831**	**-25,086**

Other tax expenses include the stability fee of TEUR 9,525 (2024: TEUR 2,810).

(11) ADMINISTRATIVE EXPENSES

Accounting policy

Administrative expenses include staff costs and material expenses accrued in the reporting period.

The staff costs include wages and salaries, statutory and voluntary social benefits, employee-related taxes and levies. Expenses and income from severance, pension and service anniversary provisions are also
included in this item if they are not reported in other comprehensive income (28). In addition to IT expenses, material expenses include building expenses, advertising and PR expenses, legal and consulting expenses, staff development expenses (training, recruiting) and other expenses required for running an office.

TEUR	2025	2024
Staff costs	-88,916	-83,484
Material expenses	-49,234	-49,080
Administrative expenses	**-138,150**	**-132,564**

Staff costs

TEUR	2025	2024
Wages and salaries	-66,480	-63,020
Statutory social security contributions	-16,335	-15,205
Voluntary social benefits	-1,816	-1,697
Expenses for retirement benefits	-3,007	-2,742
Expenses for social capital	-136	-353
Severance	-1,142	-467
Staff costs	**-88,916**	**-83,484**

Expenses for retirement benefits include payments for defined contribution plans in the context of an employee benefit fund and pension fund contributions of TEUR 2,530 (2024: TEUR 2,283).

Material expenses

TEUR	2025	2024
Building expenses	-4,706	-5,274
Leasing expenses	-140	-13
IT expenses	-25,487	-23,355
Advertising and PR expenses	-4,576	-4,372
Legal and advisory expenses	-3,913	-6,004
Communications expenses	-790	-1,021
Organisational form-related expenses	-2,821	-2,977
Staff development expenses	-2,249	-2,092
Other material expenses	-4,552	-3,972
Material expenses	**-49,234**	**-49,080**

Rental payments are expected to total TEUR 1,838 in 2026 (2025: TEUR 1,808) and TEUR 9,855 over the next five years (2025: TEUR 9,326).

(12) LOAN LOSS PROVISIONS AND IMPAIRMENT OF FINANCIAL ASSETS

Accounting policy

This item shows the recognition and reversal of valuation allowances and provisions in respect of financial instruments. Direct write-downs and amounts received on loans and advances are also reported in this item.

TEUR	2025	2024
Addition to provisions for commitments/guarantees	-5,245	-7,133
Reversals of provisions for commitments/guarantees	5,301	9,438
Addition to other provisions in lending business	-593	-752
Reversal of other provisions in lending business	6	0
Provisions for financial assets	**-531**	**1,553**
Addition to impairment losses for financial assets at amortised cost	-40,043	-66,984
Reversal of impairment losses for financial assets at amortised cost	35,015	26,114
Direct write-downs on receivables	-15,286	-28,174
Recoveries on receivables previously written	2,553	1,282
Impairment of financial assets	**-17,761**	**-67,762**
Loan loss provisions and impairment of financial assets	**-18,292**	**-66,209**

In 2025, the loss from direct write-downs and the utilisation of recognised loan loss provisions amounted to TEUR 47,068 (2024: TEUR 94,480).

(13) IMPAIRMENT OF NON-FINANCIAL ASSETS

Accounting policy

This item shows the recognition and reversal of valuation allowances in respect of non-financial assets. These impairments relate to the balance sheet items property, plant and equipment, investment property, intangible assets and other assets.

At each reporting date, the Group determines whether there are indications of impairment of non-financial assets. It performs impairment testing if there are any circumstances indicating potential impairment. If there are such indications or if an annual impairment test is required for an asset, the Group estimates the recoverable amount of the respective asset. The recoverable amount of an asset is the higher of the asset or cash-generating unit's fair value less costs to sell and the value in use. The recoverable amount is determined for each individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If the carrying amount of an asset or cash-generating unit exceeds the recoverable amount, the asset is impaired and written down to its recoverable amount. To determine value in use, the estimated future cash flows are discounted to their present value on the basis of a pre-tax discount rate that reflects current market expectations regarding the time value of money and the specific risks of the asset. An appropriate measurement model is used to determine the fair value less costs to sell.

The Group bases its impairment testing on detailed budgets and forecasts prepared separately for each of its cash-generating units to which individual assets are attributable. Such budgets and forecasts usually cover a period of five years. Impairment losses on continuing operations are recognised through profit or loss in the expense categories corresponding to the impaired asset's function within the Group. This does not apply to previously remeasured assets if the increases in value resulting from remeasurement were recognised in other comprehensive income (28). In this case, the impairment is also recognised in other comprehensive income (28) up to the amount from a preceding remeasurement.

TEUR	2025	2024
Recognition of impairment losses on investment property	-1,000	-107
Impairment losses on investment property	**-1,000**	**-107**
Recognition of impairment losses on other assets	-599	-559
Impairment losses on other assets	**-599**	**-559**
Impairment of non-financial assets	**-1,599**	**-666**

(14) TAXES ON INCOME

Accounting policy

This item includes all income-based taxes broken down into current tax expenses, deferred tax expenses and taxes from previous periods.

Current income taxes

Current income tax assets and liabilities are calculated on the basis of the tax provisions of each country using current tax rates, which determine the reimbursement from and payment to the respective tax authorities. Assets and liabilities are recognised only for expected claims and obligations in respect of the tax authorities. Current income tax assets and liabilities are set off only if the Group has a legally enforceable right to set off the reported amounts and actually intends to settle on a net basis. This occurs in connection with Group taxation at the level of the subgroup parent "Hypo-Rent" Leasing- und Beteiligungsgesellschaft mbH and its subsidiaries. Performance-based current tax expenses are recognised in the Group's income statement in taxes on income.

Judgements, estimates and assumptions

The Group is subject to income taxes in multiple tax jurisdictions. There are significant estimates in relation to the calculation of the tax provision in note (26). Using reconciliation accounts, the taxable earnings for each company are calculated based on their earnings under local commercial law. In addition, anticipated additional tax obligations in the context of current/announced tax audits are recognised in the tax provision. After the tax audit has been completed, the difference between the anticipated and the actual tax arrears is recognised in the income statement item prior-period income taxes as well as in deferred taxes. Judgements are required to determine the amount of deferred tax assets to be recognised based on the probable timing and amount of future taxable profits and future tax planning strategies. Tax receivables are recognised on the basis of budget planning over a period of five years. Information on deferred taxes is presented in notes (21) and (27). The effects on the income statement are shown in note (14), while the effects on other comprehensive income are shown in note (28). The carrying amount of the assets subject to judgements, assumptions and estimates was TEUR 32,465 (2024: TEUR 20,269), while the carrying amount of the liabilities subject to judgements, assumptions and estimates was TEUR 27,290 (2024: TEUR 15,093).

TEUR	2025	2024
Current income taxes	-8,302	-9,344
Deferred income taxes	-14,714	2,690
Prior-period income taxes	5,748	-8,954
Taxes on income	**-17,268**	**-15,608**

The prior-period income taxes comprise effects resulting from the tax audit. These are mainly temporary differences resulting in the recognition of deferred tax assets and the offsetting of the tax burden for the current financial year.

Reconciliation of the tax rate (23%) to taxes on income

TEUR	2025	2024
Earnings before taxes	70,516	58,058
Applicable tax rate	23%	23%
Calculated income tax	**-16,219**	**-13,353**
Tax effects		
from tax-exempt investment income	-531	66
from investment allowances	54	26
from other tax-exempt income	73	49
from previous years and tax rate changes	16	3,226
from prepayments and tax rate changes	-50	-22
from differing tax rates in other countries	-67	608
from other non-deductible expenses	-1,519	-6,439
from other differences	975	231
Taxes on income	**-17,268**	**-15,608**

The change in social capital from defined benefit plans recognised in other comprehensive income (28) in the reporting year amounted to TEUR 1,180 (2024: TEUR -76). The corresponding deferred taxes amounted to TEUR -278 (2024: TEUR 14).

In 2025, the recognition directly in equity of changes in the Bank's own credit risk in the amount of TEUR -7,092 (2024: TEUR -6,089) resulted in deferred taxes of TEUR 1,631 (2024: TEUR 1,401).

C. NOTES TO THE BALANCE SHEET

Generally applicable accounting policies for financial instruments (assets and liabilities)
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In accordance with IFRS 9, derivatives are also financial instruments.

Initial recognition and subsequent measurement
Financial instruments are recognised for the first time when the Group becomes a party to the contract for the financial instrument. On initial recognition, financial instruments are measured at the transaction price (=amortised cost), i.e. at fair value, irrespective of the measurement category to which they are allocated. Regular way purchases or sales are recognised at fair value on the settlement date in the case of financial assets, i.e. the date on which the asset is delivered, and on the trade date in the case of derivatives. Financial instruments are subsequently accounted for on the basis of the principles of categorisation and measurement stipulated by IFRS 9. With regard to the classification and measurement of financial instruments, IFRS 9 distinguishes between debt instruments, equity instruments and derivatives. On initial recognition, a financial instrument is allocated to a measurement category that determines its subsequent measurement. The following table illustrates the categories of financial instruments and their measurement and presentation.

Category	Abbreviation	Measurement	Presentation of transaction/acquisition costs	Gains/losses on remeasurement + realised gains/losses	Impairment	Interest payments Dividend payments
(16) Trading assets	TA	Fair value through profit or loss	(6) Net fee and commission income	(8) Net result from financial instruments at fair value	Implicitly included in FV	(5) Net interest in- Dividend income
(17) Financial assets at fair value (non-SPPI)	NON-SPPI	Fair value through profit or loss	(6) Net fee and commission income	(8) Net result from financial instruments at fair value	Implicitly included in FV	(5) Net interest in- Dividend income
(18) Financial assets at fair value (option)	FVO	Fair value through profit or loss	(6) Net fee and commission income	(8) Net result from financial instruments at fair value	Implicitly included in FV	(5) Net interest in-
(19) Financial assets at amortised cost	AC	Amortised cost	(19) Financial assets at amortised cost	▪ Amortisation using the effective interest method (5) Net interest income ▪ Premiums/discounts + accrued interest: (19) Financial assets at amortised cost ▪ Realised income and expenses / write-downs / reversals of write-downs: (7) Net result from financial instruments at amortised ▪ Measurement effects for hedged items (hedging transactions): (8) Net result from financial instruments at fair value	(12) Loan loss provisions and impairment of financial assets	(5) Net interest income
(22) Trading liabilities	TL	Fair value through profit or loss	(6) Net fee and commission income	(8) Net result from financial instruments at fair value	-	(5) Net interest in-
(23) Financial liabilities at fair value (option)	FLFVO	Fair value through profit or loss	(6) Net fee and commission income	(8) Net result from financial instruments at fair value (28) Other comprehensive in- Measurement of own credit risks for liabilities at fair value	-	(5) Net interest income
(24) Financial liabilities at amortised cost	FLAC	Amortised cost	(24) Financial liabilities at amortised cost	▪ Amortisation using the effective interest method (5) Net interest income ▪ Premiums/discounts + accrued interest: (24) Financial liabilities at amortised cost ▪ Realised income and expenses / write-downs / reversals of write-downs: (7) Net result from financial instruments at amortised ▪ Measurement effects for hedged items (hedging transactions): (8) Net result from financial instruments at fair value	-	(5) Net interest income
(20) Market values of hedges	-	Fair value through profit or loss	-	(8) Net result from financial instruments at fair value	-	(5) Net interest income

For allocation to the respective category, an allocation to the business models must be made for financial assets in advance depending on the intended business activity with the respective financial instrument. Determining and assessing the business model is based on portfolios. The allocation of the portfolios must be based on the management of the business activity. Allocation also depends on the fulfilment of the cash flow criterion (SPPI – solely payment of principal and interest).

Hypo Vorarlberg's business models

- "Hold to collect" business model
  This business model aims to hold the debt instrument to the end of its term, thereby generating contractual cash flows (i.e. interest income) and collecting the nominal amount on maturity. Immaterial sales can generally be made in this business model, but also occasionally material transactions; however, these are uncommon and occur rarely. Compliance with this regulation is reviewed at regular meetings of the ALM Committee.
- "Trading book" business model
  This business model aims to generate cash flows by selling debt instruments. The acquisition takes place with the intention of generating short-term gains. The Bank maintains only a small trading book according to CRR for servicing its customer securities business. All debt securities that cannot be clearly assigned to one of the other business models must also be assigned to this business model.
- "Hold to collect and sell" business model
  The objective of this business model is to collect the contractual cash flows or sell the debt instruments. The Group does not use this business model.

Cash flow criterion for financial assets

In addition to the allocation of debt instruments to the business models, the contractual cash flow conditions apply to the categorisation of financial instruments. If a contract of a financial instrument does not exclusively provide for the payment of interest and principal, the cash flow criterion (SPPI) is not met and subsequent measurement must be at fair value in accordance with IFRS 9.

Derecognition of financial assets and financial liabilities

A financial liability is derecognised when the obligation is settled, cancelled, or otherwise expires.

Fair value

Fair value is the amount at which an asset could be exchanged, or a liability settled, between market participants on the measurement date.

Active market

When assessing the accounting policies for financial instruments, it is relevant whether there is an active market for them. A market is active if transactions with the asset or liability occur with sufficient frequency and volume to ensure that price information is available on an ongoing basis. In accordance with the requirements of IFRS 13, the active market corresponds to the principal market or the most advantageous market.

Fair values on an active market

If a market price from an active market is available, it is used. If no current price quotations are available, the price of the most recent transaction indicates the fair value. If the economic circumstances have changed significantly in the meantime, the current fair value is determined. The sources of information for market prices of financial instruments are stock exchange listings, but also the Bloomberg and Reuters price information systems that are important for the OTC secondary market.

Measurement models in the event of an inactive or non-existent market

The measurement models (mark to model) used include deriving the fair value from the market value of a comparable financial instrument (reference bonds) or several comparable identical financial instruments (reference portfolio) as well as present value and option pricing models. The following distinction is made in the measurement process depending on the type of financial instrument:

- For interest-bearing instruments, such as receivables, liabilities and interest-bearing OTC securities, the fair value is determined as the present value of future cash flows. The value of this group of financial instruments is therefore determined according to the recognised DCF method, in which the expected cash flows are first discounted using the risk-free swap curve. To measure credit risk, the credit spread is derived from a financial instrument that is comparable in terms of duration, currency and credit rating or, if necessary, using a credit-risk-adjusted credit spread matrix. If the current credit spread of a counterparty is unknown, the last known credit spread is used. These derivations and calculations are based on input factors observable on the market to the greatest possible extent. If there are no sufficiently usable input factors on the market, the calculation is based on internally measured input factors. These include internal ratings and internal probabilities of default. In the case of liabilities, own credit risk is measured using reference portfolios. The financial instruments to be measured are assigned to the categories of public placements, private placements and retail issues depending on their placement type. An adjustment is made for private placements in order to accommodate the current issue level for private placements compared to public placements. If there is no market data for certain remaining terms, the calculation uses linear interpolation or extrapolation of market data.

- For equity securities, reliable fair value measurement is primarily based on a market approach (derived from comparable input factors observable on the market), but also on an income approach (using the discounted cash flow (DCF) method based on the entity/equity approach).

- For derivatives, fair value is determined using input factors observable on the market, such as yield curves and exchange rates. Specifically, derivatives are discounted – especially in hedge accounting – using the OIS yield curve and the swap curve customary on the interbank market. For derivatives collateralised in euros, a swap curve based on the ESTR ("Euro Short Term Rate") is used as the discount rate. With regard to accounting for credit spreads, each counterparty's credit spread is measured on a net basis, provided that a corresponding netting agreement exists and in consideration of cash and/or securities collateral. Input factors observable on the market, such as CDS spreads, are also taken into account when determining credit spreads. If no CDS spread is available for the respective counterparty, the credit spread is measured using internal probabilities of default.

Judgements, assumptions and estimates

For information on the sensitivities of the measurement models used, please refer to note (42). In the income statement, these assumptions and estimates affect the net result from financial instruments at fair value in note (8). The effect from the recognition of credit risk for financial assets and derivatives amounted to TEUR 68,348 (2024: TEUR 43,584) and was recognised in the net result from financial instruments at fair value (8). The effect from the recognition of credit risk for financial liabilities amounted to TEUR 398 (2024: TEUR 4,722) and was recognised directly in other comprehensive income (28) from changes in the Bank's own credit risk. The carrying amount of the assets subject to judgements, assumptions and estimates was TEUR 762,351 (2024: TEUR 865,653), while the carrying amount of the liabilities subject to judgements, assumptions and estimates was TEUR 382,467 (2024: TEUR 410,436).

Impairment of financial assets

The impairment requirements of IFRS 9 cover the following financial assets:

- Financial assets at amortised cost in accordance with IFRS 9
- Lease receivables within the scope of IFRS 16

- Loan commitments, excluding loan commitments accounted for at fair value through profit or loss (FVTPL) in accordance with IFRS 9
- Financial guarantees within the scope of IFRS 9 that are not measured at fair value through profit or loss

No impairment is recognised for trade receivables that are immaterial in terms of their amount and maturity. Outstanding items already due are written down directly.

Under IFRS 9, a loan loss provision is required to be recognised at an amount equal to the expected losses over the remaining lifetime. For financial assets whose credit risk has not increased significantly since initial recognition (stage 1) and for financial assets whose credit risk is classified as low, the expected loss is recognised over the next twelve months. For financial assets whose credit risk has increased significantly since initial recognition (stage 2), the expected loss is recognised over the remaining lifetime. A loan loss provision is recognised based on estimated cash flows (estimated cash flow approach) for defaulted financial assets; expected losses are recognised over the remaining lifetime for defaulted financial assets below the materiality threshold.

The following formula is generally used to calculate the expected losses:

Exposure at default (EAD) x probability of default (PD) x loss given default (LGD)

The expected losses are recognised at the present value and discounted at the relevant effective interest rate for a financial instrument.

The EAD for off-balance-sheet items (especially open commitments) is estimated using the credit conversion factor (CCF).

The LGD amount depends on whether it relates to the unsecured portion of the financing or what collateral has been used to secure the financing. Collateral is accounted for using the internal lending value – the LGD is calibrated to this value. The calculation involves breaking a financial instrument down into EAD layers based on collateral and the uncovered portion; the relevant applicable LGD is then applied for each layer.

Exemption for financial assets with low credit risk
For financial assets with a low credit risk at the reporting date, impairment is also recognised in the amount of the expected loss over the next twelve months if the credit risk has increased significantly since their addition. The Group applies this exemption exclusively to securities with an external investment grade rating (BBB- / Baa3 or higher).

Allocation to stages
A financial instrument is typically allocated to stage 1 on initial recognition (for exception see POCI). A stage transfer only takes place if the credit quality has deteriorated significantly since initial recognition or there is a reason for default. This is assessed on the basis of quantitative and qualitative factors.

The quantitative assessment of any increase in the credit risk is performed by comparing the forward lifetime PD of the original rating with the lifetime PD of the current rating for the remaining lifetime of a financial instrument. If the quotient of the two values exceeds a certain level, the financial instrument is allocated to stage 2. For information on the rating scale and the rating systems used, see section G. Financial risks and risk management.

The Group uses the following qualitative indicators to identify any increase in the credit risk:
- No original rating available
- No current rating available
- 30 days or more in arrears
- Forbearance measure active
- Dunning level reached

Back transfer
When a financial instrument no longer exhibits a significant increase in credit risk, it is allocated to stage 1 (for exception see POCI). There is a two-year good conduct period for forbearance measures. During this period, the customer remains in stage 2.

Original rating
The current rating when a financial instrument is initially recognised (typically the customer rating) is recorded as the original rating of the financial instrument. Internal and external ratings are used. Issue ratings are also applied for securities.

Identification of losses
The Bank uses various instruments to detect default characteristics and incurred losses early on. The corporate segment reassesses its significant customers every year based on up-to-date documents including customers' statements of account and budget calculations. For small liabilities from private and commercial customers, automated performance ratings are prepared on a quarterly basis. Customer ratings must be as up-to-date as possible. There are control processes in place to ensure that the number of old ratings is kept to a minimum.

The qualitative indicators used in the staging process are intended to ensure a prompt transfer to stage 2; the 30 days in arrears indicator is a particularly important one. The measures taken are designed to ensure that there are no significant losses that have not yet been identified.

Stage 3: Credit-impaired financial instruments
All loans with a default rating that matches the definition of default in Article 178 CRR are classified as stage 3 financial instruments. The Group has decided to adopt the regulatory definition of default for the IFRS impairment model. This applies equally to all financial instruments.

The Group uses the following approaches and indicators to determine whether a financial asset has defaulted:
- Fourth unsuccessful reminder
- 90 days in arrears
- Insolvency: daily requests of newly registered insolvency proceedings
- Economic deterioration: continuous credit assessment
- Customer "unlikely to pay" – insufficient expected cash flows
- Significant financial difficulty of the issuer or the borrower (need for restructuring)
- Eroded economic equity in connection with losses

Monitoring is either automated or ensured through close cooperation between the sales, credit risk management and restructuring management units.

Impairment/reversals of impairment of financial assets in stage 3 are calculated using either a general approach or the estimated cash flow (ECF) approach. Both approaches are based on the individual customer level. The general approach is used for non-significant customers. These are customers whose total exposure is less than TEUR 150. The calculation is performed with a probability of default (PD) of 100%, solely on a monthly basis and using the LGDs for the default category.

The ECF approach is used for significant defaulted customers in stage 3. A customer is classified as significant if their total loans and off-balance-sheet items exceed a customer exposure of TEUR 150. The amount of the loan loss provision equates to the difference between the carrying amount of the asset and the present value of estimated future cash flows (contractual cash flows and collateral cash flows). The scenario-weighted impairment requirement is calculated based on the expected returns including the expected collateral.

Different scenarios must be presented and weighted accordingly when calculating the requirement for loan loss provisions based on the customer's status.

The Group has defined the following scenarios:

Contractual cash flow scenario
In this scenario, only capital and interest rate cash flows arising from contractual arrangements are applied over the entire remaining lifetime. Any potential proceeds from the realisation of collateral are not taken into account. When estimating the cash flow amount, it is assumed that these cash flows will be completely fulfilled over the remaining lifetime of the item. This also applies to off-balance-sheet items. This scenario only applies to customers who are in a good conduct period following recovery.

Going concern scenario
In the going concern scenario, it is assumed that the customer is making all its interest and/or capital payments and the realisation of available collateral is not necessary.

Gone concern scenario
The gone concern scenario is based on the assumption that the customer is now only generating limited contractual cash flows and is therefore only able to cover its outstanding loans largely through proceeds generated from the realisation of collateral provided.

Loan loss provisions based on stage of proceedings
The going concern and gone concern scenarios are weighted differently depending on the stage of proceedings (in restructuring or already in liquidation). The closer the stage of the proceedings is to liquidation, the higher the weighting of the gone concern scenario.

Recovery
Requirements for the return of an exposure to standard support include adhering to a good conduct period of at least three months. The good conduct period commences upon recovery and under the following conditions:
- No arrears on accounts
- No impairment (except for global valuation allowances)
- No active forbearance measures
- No (partial) loan write-downs

The following circumstances are relevant once a good conduct period commences:
- Repayments are made as agreed – customer is "likely to pay"
- No new forbearance measures
- No new impairment (except for global valuation allowances)
- No new default event
- No third-party executive measures
- No returns on the account

If there are objections, the good conduct period is ended. For the duration of the good conduct period, the customer remains in default and retains its default rating (5 rating).

If the customer is still in the probationary phase on account of a legitimate forbearance measure, the good conduct period may end no earlier than the expiration date of the minimum forbearance observation period. Once the good conduct period expires, the customer receives the rating grade "NR" (not rated) until a performing rating is issued.

Derecognition
Loans or parts of loans and securities that are no longer likely to be recoverable shall be derecognised. An unrecoverable loan exists, for example, if at least two execution runs have been unsuccessful, the customer does not earn any seizable income in the long term or there are other liabilities in such a high amount that there is no prospect of the loan or parts of the loan being recoverable. Loans and securities are also derecognised, in part or in full, if a part of or the full amount outstanding has been waived. This may occur within the context of insolvency proceedings (restructuring plan, payment schedule, absorption proceedings) or an out-of-court settlement.

Forbearance
Forborne exposures are exposures for which concessions have been made towards borrowers who are in danger of no longer meeting their payment obligations on account of financial difficulties. A forborne exposure exists only if both of the following criteria are met:
- The modified/refinanced contract includes a concession and
- Payment difficulties are identified

Forbearance concessions can be granted to borrowers with performing ratings (rating 1A to 4E) and non-performing ratings (rating 5A to 5E). A borrower is continued to be classified as performing if the forbearance measure does not lead to non-performing status and the borrower was in the performing range at the time of the forbearance measure.

All of the following conditions must be met in order for the forbearance status to be discontinued:
- The borrower is able to meet its payment obligations.
- The loan is classified as performing.
- At least two years (probation period) have passed since the contract was classified as performing.
- All of the borrower's exposures are less than 30 days past due during and at the end of the probation period.

Transactions involving forbearance measures that are classified as performing are monitored continuously. Furthermore, transactions involving forbearance measures undergo special observation to check for overdrafts exceeding 30 days.

These measures ensure that transactions involving a forbearance measure are classified as non-performing as soon as the following occur:
- The desired outcome of the forbearance measure (re-establishing the contractually agreed servicing of the loan) does not materialise or is no longer guaranteed.
- There is a payment default exceeding 30 days.
- Another forbearance measure is issued during the probation period.
- The customer fulfils another stipulated default criterion.

A loan loss provision in stage 2 is generally determined for all transactions involving a forbearance measure that are classified as performing. A loan loss provision in stage 3 is recognised for transactions involving a forbearance measure that are already classified as non-performing. Loans and advances with forbearance measures are shown in note (50).

Valuation parameters for the calculation of expected losses
The starting point for determining the parameters are the through-the cycle (TTC) estimates for these parameters. A TTC estimate aims to be relatively stable over the business cycle.

TTC PD
PD for customer business is estimated on the basis of a history of the Bank's own defaults. The calculation takes into account portfolios of the Bank that are large enough for statistically stable assumptions and that contained a sufficient number of defaults for the default rates for the vast majority of current rating grades to be estimated. This is the case for private and corporate customers of the Bank. This approach cannot be used for banks and states, as only very few defaults have been observed in these customer groups in the Bank's portfolio. For these two customer groups, PD curves are calculated using matrix multiplication based on publications from rating agencies.

LGD
For a description of the main types of collateral, see section G. Financial risks and risk management. LGD is defined as a workout LGD. The Bank's LGD is calculated based on its default data. It factors in proceeds and direct costs from realisation. The cash flows

are discounted at the respective effective interest rate of a financial instrument. To calculate unsecured and secured LGDs, the proceeds are distributed according to the waterfall principle. They are firstly allocated to the collateral, starting with the collateral with the lowest LGD. Proceeds are firstly allocated to cash collateral and guarantees, followed by mortgage-backed securities. For this purpose, collateral is calculated at the time of default in order to determine the estimated proceeds. Proceeds not yet distributed are then allocated to the unsecured portion. A mark-up is applied to ensure an undistorted estimate of the parameter over an economic cycle.

The real estate LGD for the leasing portfolio in Bolzano is calculated using the same method. If required, a mark-up is applied to offset the effects on this parameter of the declining property market in northern Italy in order to obtain an undistorted estimate over the economic cycle.

Data gathering also takes place for the Swiss portfolio and the Austrian leasing portfolio. However, the number of defaults and realisations are much too low to be able to make a statement on this basis.

The Group estimates its own LGDs for the unsecured portions of defaulted exposures. The ECF valuation allowance is used as the best estimate of the anticipated future loss. It is assumed that the LGDs depend on the different processing steps at the Bank.

CCF (credit conversion factor)
The Bank calculates the CCF of defaulted loans. This measures the extent to which the loan is drawn down during the twelve months before a default. The results can vary greatly due to the small data pool. In the same way as for internal risk management, the Bank therefore uses the regulatory CCF in conjunction with the maturity profiles from internal risk management. This currently represents the best available estimate.

Early repayments
Early repayments over a twelve-month period have little relevance in stage 1. It can be assumed that no significant early repayments are possible for stage 2 cases. Early repayment profiles are not taken into account.

Repayments of instruments with an indefinite term
For instruments with an indefinite term, the maturity is estimated on the basis of the Bank's portfolio. The same maturity profiles are applied as for internal risk management.

Point in time (PIT) adjustment
PIT adjustment of parameters that are found to be dependent on macroeconomic variables is used to take account of the current and expected macroeconomic situation (forward-looking information, FLI) and to estimate the impact of such on the expected loss.

An assessment is carried out to determine whether the parameters PD, LGD and CCF are dependent on independent variables. For the CCF and the LGD, no significant dependencies with an economically explicable cause and effect can be identified.

For the PD, dependencies and models can be identified for the segments established. The segments were established on the basis of similar types of institution, risk characteristics (PD, default rate, warranties) and rating methods. This resulted in the following segments: banks, states, private customers and corporate customers.

Given that banks and states represent low-default portfolios, it does not make since to adjust the PIT on the basis of internal data. The TTC PD is therefore used as the best estimate for the PIT PD for these two segments.

For the Private Customers and Corporate Customers segments, the Group examines whether the default rates in the regions where it operates differ. Based on this examination, the Group differentiates between the segments of the leasing subsidiary in Bolzano and the rest of the Group. This results in the following segments for which PIT models were estimated:

- corporate customers in Austria (and other countries except Italy)
- corporate customers in Italy
- private customers in Austria (and other countries except Italy)
- private customers in Italy

The model search is based on the linear regression method. This determines the dependency of certain variables (dependent variables, in this case default rates/loss rates) on other variables (independent variables, in this case a selection of macroeconomic parameters). To determine this dependency, time series of the variables in question covering the modelling period are compared against one another. Annual default rates in the period from 2007 to 2019 are used.

The independent variables used include:

- Real GDP Austria, Italy – y-o-y change, real, in%
- HICP Austria, Italy – y-o-y change, in%
- Unemployment rates Austria, Italy, in% of labour force
- Unit labour costs Austria, Italy – y-o-y change, in%
- Private consumption Austria – y-o-y change, in real terms based on previous year's prices, in%
- Public-sector consumption Austria – y-o-y change, in real terms based on previous year's prices, in%
- Gross fixed capital formation (GFCF) Austria – y-o-y change, in real terms based on previous year's prices, in%
- Housing price index Austria total – y-o-y change, in%

Regional GDP and GFCF growth data was used for the Italian regions of Lombardy, South Tyrol, Trento and Veneto. The use of interest rates and credit spreads is being examined. Economically speaking, an increase in interest rates would be expected here in economically uncertain times. However, this context obviously does not apply to the phase of the central banks' low interest rate policy. This represents a problem for the PIT adjustment in particular as, when using interest rates, the ECL results would fall instead of rising when the economic conditions are weak and interest rates are low.

To take account of the fact that the Group's Italy exposure is concentrated in northern Italy and that the northern Italian economy tends to post better key figures than Italy as whole, synthetic macro-variables ("mix" variables) for northern Italy are created for use in the regional adjustment of the models for corporate customers and private customers.

Based on the model estimate, the following macro-variables are selected for each PIT model:

- Corporate customers in Austria (and other countries except Italy): GDP change Austria, lag of 1 year
- Corporate customers in Italy: GDP change mix, lag of 1 year
- Private customers in Austria (and other countries except Italy): HICP Austria, GFCF Austria
- Private customers in Italy: HICP Italy, GFCF mix

Regional differentiation takes place such that the differences between the TTC default rate and the default rate of the estimated model are applied to the result.

When identifying and taking account of FLI in the PIT models, the following approach is taken:

- The forecasts used must come from independent, established institutions.
- The forecasts must be as up-to-date as possible.
- A substantiated adjustment of the forecasts must be possible.
- If scenarios for individual variables are available, these can be used in conjunction with a scenario weighting.
- The FLI adjustment must be applied for up to three years if possible. At this point at the latest, the long-term average of the respective variables is used.

- Forecasts generally relate to calendar years and are available for the current calendar year and the two subsequent calendar years at most.
- The variables in the models must be used in line with the model estimate as far as possible. An even distribution of defaults within the calendar years is assumed. This means that the value for a variable without a lag is calculated as the average from the six months before and the six months after the current reference date. A variable with a lag of one year is calculated as the average from the six months before and the six months after the date one year before the current reference date.
- Parameterisation generally takes place in the second and fourth quarters. In the event of significant changes in the variables, parameterisation may be carried out more frequently.
- The long-term average of a variable is calculated in line with the period that was used in the model estimate.

The portfolio of private customers in Italy is of very minor importance, and the model results are also not plausible. Accordingly, the model for corporate customers in Italy is also applied to this portfolio.

The following weights and macroeconomic parameters are used as at the end of 2025. The values for the main scenario are forecasts by the OeNB, Wifo and IHS for Austria and by Banca d'Italia for Italy. Growth is expected to remain weak. There are considered to be more downside than upside risks.

Country	Variable	Weighti	2025	2026	2027+
Austria	GDP Main scenario	60.00%	0.33%	0.93%	1.10%
	GDP Negative scenario	30.00%	-0.42%	-1.33%	1.10%
	GDP Positive scenario	10.00%	0.54%	1.54%	1.10%
	HICP Main scenario	60.00%	3.50%	2.40%	2.30%
	HICP Negative scenario	30.00%	4.00%	3.89%	2.30%
	HICP Positive scenario	10.00%	3.32%	1.86%	2.30%
	BAI Main scenario	60.00%	0.00%	1.00%	1.30%
	BAI Negative scenario	30.00%	-1.02%	-2.05%	1.30%
	BAI Positive scenario	10.00%	0.63%	2.88%	1.30%
Italy	GDP Main scenario	60.00%	0.60%	0.60%	0.70%
	GDP Negative scenario	30.00%	0.09%	-0.94%	0.70%
	GDP Positive scenario	10.00%	0.98%	1.73%	0.70%

Compared to the previous year, a higher probability is again assumed for the negative scenario. Hypo Vorarlberg continues to see no probability for the positive scenario. Where observed default rates differ significantly from the forecast data, the observed default rates are used. The downside risks described above (including tariff policy and the escalation of geopolitical tensions) are analysed and do not lead to any adjustments to the model. As previously, there is not considered to be any reason for collective staging. The risks are already reflected in the ratings, which is why there is no justified reason for collective staging.

Sustainability risks
There is no indication that sustainability risks will be reflected in increased risk costs in the short term. The Bank is making considerable efforts to ensure that sustainability risks are measured and taken into account in the medium and long term (see section G. Financial risks and risk management).

Purchased or originated credit-impaired (POCI) financial instruments
POCI financial instruments are financial assets that already show objective evidence of impairment when they are initially recognised (credit-impaired assets). POCI assets can arise in three cases:
- Acquisition of POCI assets through the purchase of a significantly credit-impaired financial instrument (purchased credit-impaired), such as acquiring a financial asset at a price that includes a significant credit discount.
- New transaction with a customer that has a default rating (fresh money and bridge loans): Additions that result in a significant increase in the exposure of the uncovered portion and that are in the early phase of restructuring (recovery still uncertain).
- Substantial modification of a financial asset in stage 3 due to credit rating, resulting in the reclassification of the original financial instrument and the addition of a modified and impaired financial instrument (originated credit-impaired).

Steps are taken to ensure that POCI instruments at least always include an estimated loan loss provision over the remaining lifetime. In the case of a POCI instrument, the expected cash flows are discounted at the credit risk-adjusted effective interest rate and the present value is recognised on initial measurement. The change in present value leads to an impairment loss or the reversal of an impairment loss on subsequent measurement.

Financial assets at amortised cost
If there is objective evidence of impairment, the amount of the loss is determined as the difference between the carrying amount of the asset and the present value of the estimated future cash flows. The calculation of the present value of the estimated future cash flows of collateralised financial assets reflects the cash flows resulting from realisation less the costs for obtaining and selling the collateral.

For loans and receivables, impairment is netted against the underlying receivable in the respective balance sheet item. The loss (addition) is reported in the income statement in loan loss provisions and impairment of financial assets (12). Interest income from impaired assets in stage 3 is deferred on the basis of the reduced carrying amount, applying the interest rate used to discount the future cash flows for the purpose of calculating the impairment loss. This interest income is included in net interest income (5).

Loans are derecognised together with the associated impairment if there is no realistic prospect of future recovery and all collateral has been utilised and realised. If the impairment increases or decreases in a subsequent period due to an event, the allowance account previously recognised for loans and receivables is increased or decreased by the amount of the difference. Reversals of impairment are reported in the income statement under the same item as the impairment loss itself.

Off-balance-sheet transactions
Loan loss provisions for off-balance-sheet items, such as warranties, guarantees and other loan commitments, are included in provisions (25). The associated expense is recognised through profit and loss in loan loss provisions and impairment of financial assets (12).

Judgements, assumptions and estimates
Within the Group, the credit portfolio is tested for impairment at least once per quarter. This involves an assessment of whether observable events lead to a reduction in expected future cash flows in the credit portfolio. Indicators of impairment include non-compliance with due dates and agreements, negative developments in economic conditions and negative rating changes. In its planning for future cash flows, the management includes assumptions based on historical probabilities of default for comparable credit portfolios. An increase of 1.0% in the impairment ratio (ratio of loan loss provisions to exposure) in relation to the underlying exposure would increase loan loss provisions by TEUR 1,150 (2024: TEUR 1,382). A reduction of 1.0% in the impairment ratio in relation

to the underlying exposure would reduce loan loss provisions by TEUR 1,150 (2024: TEUR 1,382). Changes in loan loss provisions are shown in note (44). The effects on the income statement are presented in note (12). The carrying amount of the assets subject to judgements, assumptions and estimates is TEUR 13,677,995 (2024: TEUR 13,294,829).

Hedge accounting

As part of its risk management, Hypo Vorarlberg has identified risks that are hedged using derivative financial instruments. Derivative instruments that are concluded as part of the Group's hedging strategy but do not qualify for hedge accounting are recognised as held for trading in the financial statements. This is the case for customer derivatives and their offsetting hedges. One of the main driving forces of fluctuations in the market value of fixed income financial instruments is the change in the relevant reference interest rate, such as EURIBOR. In the Group, this interest rate risk is kept within the defined limits by concluding hedging transactions in accordance with the risk management strategy. The hedging instruments convert the fixed rate of return into a variable interest rate linked to the reference interest rate and thus enable the transfer of the interest-induced market price risk. In addition, changes in exchange rates result in fluctuations in the market value of financial instruments in foreign currencies. In the Group, this currency risk is kept within the defined limits by concluding hedging transactions in accordance with the risk management strategy. The hedging instruments convert payments in foreign currencies into fixed payments in euro, thereby enabling the transfer of the currency-induced market price risk.

The hedged items are in the categories of financial assets at amortised cost and financial liabilities at amortised cost. The Group uses derivative instruments such as interest rate swaps, currency swaps and cross-currency swaps to hedge currency and interest rate risks. In the course of assigning a hedging relationship to hedge accounting in accordance with IFRS, formal documentation is prepared that describes, among other things, the type of hedging relationship, the hedged risk, the economic context, the risk management objective of the hedging relationship and the method of assessing effectiveness. The effectiveness of the hedging relationship is an essential condition for the application of hedge accounting. In many cases, the economic relationship is proven qualitatively and on a forward-looking basis by documenting the correspondence between the most important risk-relevant parameters of the underlying and hedging transactions at the time of documentation. This check is referred to as a critical terms match (CTM). If the key business parameters are not aligned or, in the case of amended contracts, are no longer aligned to the usual extent of a standard economic hedge, a purely qualitative assessment would be associated with a high degree of uncertainty. In these cases, the final assessment may be based on the results of quantitative methods. The quantitative assessment of effectiveness is carried out prospectively using the dollar offset method.

To date, only fair value hedges have been used in the Group. A hedge exists if one or more hedging transactions can be clearly allocated to a hedged item.

Fair value hedges

Fair value hedges are employed to reduce market value risk. This primarily involves hedging interest rate risks. The main items hedged are therefore financial instruments with fixed and structured interest rates in the form of acquired and issued securities, loans and fixed-term deposits. In individual cases, interest rate and currency risks are hedged together. For designated and qualified fair value hedges, the change in the fair value of the hedging derivative is recognised through profit and loss in the net result from financial instruments at fair value (8). The change in the fair value of the hedged item resulting from the hedged risk is recognised as part of the carrying amount of the hedged item with an offsetting entry in the same income statement item as the hedge (basis adjustment). Any ineffectiveness will thus be recognised directly in the income statement in note (8).

If a hedging instrument expires, is sold, terminated or exercised, or if the hedge or the hedged item no longer meet the criteria for hedge accounting, the hedging relationship is terminated. In this case, the adjustment of the carrying amount of a hedged financial instrument is reversed through profit and loss in the net result from hedge accounting (8) until the financial instrument matures.

In addition to hedge accounting on an individual transaction basis, the Group has accounted for interest rate hedges on a portfolio basis in accordance with the provisions of IAS 39 since 1 January 2023. The hedging instruments are interest rate swaps in EUR with terms until 2042. These hedging instruments are used to hedge the interest rate risk from loans and advances with fixed interest rates, which are mainly granted to private households and small and medium-sized enterprises. If effective, the changes in market value from the designation of the hedging instruments are recognised in the opposite direction in the adjustment item "Fair value changes in interest rate risk portfolios", which is reported separately in the balance sheet, and in the income statement in the net result from hedge accounting (8). The cumulative fair value measurements of the hedging instruments up to designation are amortised on a straight-line basis over the remaining term of the hedging instruments.

Offsetting financial instruments

The Group does not offset financial instruments. Although master netting agreements have been concluded in connection with derivatives with the aim of bringing about settlement on a net basis in the event of a counterparty default, taking into account any collateral delivered or pledged, these agreements do not result in any offsetting in the consolidated financial statements. More detailed disclosures on offsetting financial instruments can be found in note (43).

(15) CASH RESERVE

Accounting policy

This balance sheet item comprises cash on hand and balances payable on demand with central banks and banks. For the purposes of the cash flow statement (section IV.), cash and cash equivalents comprise the cash defined above. The cash reserve was measured at its nominal amount less any valuation allowances.

TEUR	31.12.2025	31.12.2024
Cash on hand	21,928	22,381
Balances with central banks	373,966	427,848
Demand deposits with banks	37,239	59,704
Cash reserve	433,133	509,933

Balances with central banks include the minimum reserve in accordance with the ECB Regulation of TEUR 43,688 (2024: TEUR 43,289). According to the OeNB's definition, the minimum reserve represents a working balance for current payment transactions. For this reason, the minimum reserve meets the definition of cash and cash equivalents and is therefore reported in the cash reserve.

(16) TRADING ASSETS

Accounting policy

This category recognises financial assets that are allocated to the "trading book" business model. Derivative financial instruments in the banking book are also recognised in this category if they have a positive market value. The derivatives are mainly concluded to hedge market price risks of financial instruments in the banking book. Although this means there is largely no intention to trade, these derivatives must be recognised in this category in accordance with IFRS.

TEUR	31.12.2025	31.12.2024
Equity instruments	147	148
Derivatives with positive market values	106,488	103,928
Trading assets	106,635	104,076

Trading assets by region

TEUR	31.12.2025	31.12.2024
Austria	7,527	4,938
Germany	63,922	59,601
Switzerland and Liechtenstein	177	233
Other foreign countries	35,009	39,304
Trading assets	106,635	104,076

(17) FINANCIAL ASSETS AT FAIR VALUE (NON-SPPI)

Accounting policy

Financial instruments that were allocated to the "hold to collect" business model but that do not fulfil the cash flow criterion of IFRS 9 (non-SPPI – non solely payment of principal and interest) are allocated to this category. These are generally debt instruments whose interest rate conditions include levers or financing arrangements in which the Group bears a significant share of the project risk. Due to their nature, equity instruments cannot fulfil the cash flow criterion. Equity instruments that are not allocated to the "trading book" business model and that are not voluntarily measured via other comprehensive income (28) are therefore recognised in this category.

TEUR	31.12.2025	31.12.2024
Equity instruments	15,995	17,809
Debt securities of public issuers	5,568	31,242
Debt securities of other issuers	94,067	103,324
Loans and advances to customers	351,461	432,208
Financial assets at fair value (non-SPPI)	467,091	584,583

Financial assets at fair value (non-SPPI) by product

TEUR	31.12.2025	31.12.2024
Shares	12,276	13,143
Investment certificates	1,434	2,713
Other equity interests	2,285	1,953
Total equity instruments	15,995	17,809
Debt securities of public issuers	5,568	31,242
Debt securities of other issuers	94,067	103,324
Total debt securities	99,635	134,566
Overdraft lines	99,209	122,683
Long-term loans	252,252	309,525
Total loans and advances	351,461	432,208
Financial assets at fair value (non-SPPI)	467,091	584,583

The overdraft lines relate to project financing under which Hypo Vorarlberg bears the majority of the project risk, hence their classification as non-SPPI.

Nominal amounts and market values of derivatives – breakdown by transaction type

	Nominal amounts		Positive market values		Negative market values	
TEUR	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Interest rate swaps	2,517,852	2,811,166	64,726	71,011	36,882	37,928
Cross-currency swaps	147,149	493,003	6,066	8,343	12,158	11,831
Interest rate options	345,109	344,803	28,541	20,978	982	1,129
Interest rate derivatives	3,010,110	3,648,972	99,333	100,332	50,022	50,888
FX forward transactions	196,102	224,663	6,898	3,152	6,661	2,931
FX swaps	207,914	158,179	237	436	493	614
FX options	1,008	2,059	20	8	21	7
Currency derivatives	405,024	384,901	7,155	3,596	7,175	3,552
Derivatives	3,415,134	4,033,873	106,488	103,928	57,197	54,440

The market values shown include the interest accrued.

Financial assets at fair value (non-SPPI) by region

TEUR	31.12.2025	31.12.2024
Austria	332,166	428,384
Germany	69,599	69,206
Switzerland and Liechtenstein	500	500
Italy	2,232	2,635
Other foreign countries	62,594	83,858
Financial assets at fair value (non-SPPI)	467,091	584,583

Financial assets at fair value (non-SPPI) by business segment

TEUR	31.12.2025	31.12.2024
Corporate Customers	349,178	431,033
Private Customers	2,273	1,175
Financial Markets	82,483	119,080
Corporate Centre	33,157	33,295
Financial assets at fair value (non-SPPI)	467,091	584,583

Financial assets at fair value (non-SPPI) by sector

TEUR	31.12.2025	31.12.2024
Public sector	5,569	31,243
Banks	93,382	103,872
Financial companies	11,558	11,355
Companies	356,035	437,429
Private households	547	684
Financial assets at fair value (non-SPPI)	467,091	584,583

Financial assets at fair value (non-SPPI) – companies by industry

TEUR	31.12.2025	31.12.2024
Agriculture and forestry	64	73
Energy supply	5	0
Construction	104,970	119,895
Trade	118	127
Transportation and storage	173	172
Accommodation and hospitality	1,581	1,821
Information and communication	12	12
Financial services	3,714	4,580
Housing	227,032	248,093
Liberal professions	17,790	62,010
Education	75	61
Other services	501	585
Financial assets at fair value (non-SPPI) – companies	356,035	437,429

Financial assets at fair value (non-SPPI) – disclosures on changes in fair value

TEUR	31.12.2025	31.12.2024
Credit exposure	467,091	584,583
Collateral	344,249	383,587
Total change in market value	1,033	-13,552
of which due to market risk	-67,547	-54,883
of which due to credit risk	68,580	41,331
Change in market value in the reporting period	14,585	11,024
of which due to market risk	-12,664	10,884
of which due to credit risk	27,249	140

Eight years ago, the bondholders of HETA ASSET RESOLUTION AG (HETA), the wind-down entity of the former Hypo Alpe-Adria-Bank International AG, voted by a large majority to assign their securities to the state of Carinthia and waive part of their receivables. Following the acceptance of the exchange offer by the Kärntner Ausgleichszahlungs-Fonds (Carinthian Compensation Payment Fund), Hypo Vorarlberg acquired a "recovery commitment" that is included in the "contingent additional purchase price". If the realisation proceeds from HETA exceed the anticipated recovery value (plus premium) of the respective instrument, the selling investors will receive an additional payment. At the end of the reporting period, the value of the recovery commitment was 6.79% or TEUR 8,417. In a notification dated 29 December 2021, the FMA, acting as the resolution authority, determined the end of HETA's operations. HETA thus entered liquidation under the Austrian Stock Corporation Act.

Based on the knowledge of some isolated transactions entered into and available current price indications at other banks, Hypo Vorarlberg recognised the "contingent additional purchase price" as a financial instrument in accordance with IAS 32.11 with a fair value of TEUR 8,417 (2024: TEUR 8,160) and assigned it to level 2. The change in fair value is recognised through profit or loss in the net result from financial instruments at fair value (8) income statement item.

(18) FINANCIAL ASSETS AT FAIR VALUE (OPTION)

Accounting policy

This category includes those debt securities that have been allocated to the "hold" business model and that also fulfil the cash flow criterion, but which have been voluntarily designated at fair value. This option, referred to as a fair value option, may only be used if it eliminates or significantly reduces inconsistencies in measurement. Hypo Vorarlberg applies this option to financial assets whose interest rate and currency risks have been hedged using an interest rate swap, currency swap or cross-currency swap and where hedge accounting is not used for economic hedging.

TEUR	31.12.2025	31.12.2024
Debt securities of public issuers	10,319	51,172
Debt securities of other issuers	7,836	7,897
Loans and advances to customers	109,640	140,139
Financial assets at fair value (option)	127,795	199,208

Financial assets at fair value (option) by product

TEUR	31.12.2025	31.12.2024
Debt securities of public issuers	10,319	51,172
Debt securities of other issuers	7,836	7,897
Total debt securities	18,155	59,069
Long-term loans	109,640	140,139
Total loans and advances	109,640	140,139
Financial assets at fair value (option)	127,795	199,208

Financial assets at fair value (option) by region

TEUR	31.12.2025	31.12.2024
Austria	119,959	179,225
Other foreign countries	7,836	19,983
Financial assets at fair value (option)	127,795	199,208

Financial assets at fair value (option) by business segment

TEUR	31.12.2025	31.12.2024
Corporate Customers	100,185	116,160
Private Customers	2,285	2,793
Financial Markets	25,325	68,129
Corporate Centre	0	12,126
Financial assets at fair value (option)	127,795	199,208

Financial assets at fair value (option) by sector

TEUR	31.12.2025	31.12.2024
Public sector	118,113	176,926
Financial companies	0	12,126
Companies	9,682	10,156
Financial assets at fair value (option)	127,795	199,208

Financial assets at fair value (option) – companies by industry

TEUR	31.12.2025	31.12.2024
Manufacturing	2,974	2,994
Trade	4,862	4,903
Housing	1,567	1,692
Other economic services	279	567
Financial assets at fair value (option) – companies	9,682	10,156

Financial assets at fair value (option) – disclosures on changes in fair value

TEUR	31.12.2025	31.12.2024
Credit exposure	127,795	199,208
Collateral	119,680	190,614
Total change in market value	6,734	9,016
of which due to market risk	5,676	6,606
of which due to credit risk	1,058	2,410
Change in market value in the reporting period	-2,282	-1,481
of which due to market risk	-930	-426
of which due to credit risk	-1,352	-1,055

(19) FINANCIAL ASSETS AT AMORTISED COST

Accounting policy

This category includes those debt securities that have been allocated to the "hold to collect" business model and that fulfil the cash flow criterion. The objective of these financial instruments is to collect contractual cash flows. This category also includes trade receivables. The amount of these receivables is immaterial in absolute terms. As they also do not include any financing elements, these receivables are recognised at their nominal amount.

TEUR	31.12.2025	31.12.2024
Debt securities of public issuers	862,658	635,051
Debt securities of other issuers	1,866,229	1,861,204
Loans and advances to banks	183,439	235,215
Loans and advances to customers	10,880,050	10,701,092
Trade receivables	574	450
Gross exposure value	13,792,950	13,433,012
Valuation allowances for debt securities – stage 1	-271	-299
Valuation allowances for debt securities – stage 2	-709	-687
Valuation allowances for debt securities – stage 3	-997	-997
Valuation allowances for loans and advances to banks – stage 1	-16	-16
Valuation allowances for loans and advances to banks – stage 2	0	-4
Valuation allowances for loans and advances to customers – stage 1	-16,165	-16,817
Valuation allowances for loans and advances to customers – stage 2	-27,309	-27,126
Valuation allowances for loans and advances to customers – stage 3	-68,759	-87,180
Provisions for loans and advances to customers – POCI	-729	-5,057
Valuation allowances	-114,955	-138,183
Financial assets at amortised cost	13,677,995	13,294,829

In financial assets at amortised cost, the use of hedge accounting led to the amortised cost of TEUR 4,450,584 (2024: TEUR 4,246,964) being adjusted for the hedged fair value of TEUR 184,124 (2024: TEUR 113,646).

Financial assets at amortised cost by product

TEUR	31.12.2025	31.12.2024
Debt securities of public issuers	861,976	634,442
Debt securities of other issuers	1,864,934	1,859,830
Total debt securities	2,726,910	2,494,272
Interbank accounts	135,315	111,478
Money market investments	0	81,011
Overdraft lines	985,784	1,089,993
Cash advances	244,310	241,428
Acceptance credits	39,704	28,259
Long-term loans	8,522,366	8,227,703
Lease receivables	1,023,077	1,020,284
Trade receivables	529	401
Total loans and advances	10,951,085	10,800,557
Financial assets at amortised cost	13,677,995	13,294,829

Financial assets at amortised cost by region

TEUR	31.12.2025	31.12.2024
Austria	7,625,459	7,586,195
Germany	2,073,022	2,001,699
Switzerland and Liechtenstein	1,495,103	1,362,860
Italy	766,238	779,734
Other foreign countries	1,718,173	1,564,341
Financial assets at amortised cost	**13,677,995**	**13,294,829**

Financial assets at amortised cost by business segment

TEUR	31.12.2025	31.12.2024
Corporate Customers	7,389,801	7,172,681
Private Customers	2,197,316	2,223,319
Financial Markets	3,070,319	2,881,350
Corporate Centre	1,020,559	1,017,479
Financial assets at amortised cost	**13,677,995**	**13,294,829**

Financial assets at amortised cost by sector

TEUR	31.12.2025	31.12.2024
Public sector	1,369,591	1,105,438
Banks	1,873,691	1,953,992
Financial companies	290,789	268,766
Companies	7,617,742	7,439,994
Private households	2,526,182	2,526,639
Financial assets at amortised cost	**13,677,995**	**13,294,829**

Financial assets at amortised cost – companies by industry

TEUR	31.12.2025	31.12.2024
Agriculture and forestry	23,004	22,087
Mining	9,637	11,954
Manufacturing	620,943	654,361
Energy supply	140,864	112,712
Water supply	14,861	43,777
Construction	996,305	1,072,319
Trade	507,268	509,780
Transportation and storage	291,949	284,086
Accommodation and hospitality	446,766	413,211
Information and communication	15,636	43,815
Financial services	91,980	65,022
Housing	3,432,758	3,257,576
Liberal professions	808,593	722,788
Other economic services	48,436	49,744
Public administration	21,418	25,496
Education	3,567	4,063
Health and social care	73,404	40,316
Arts, entertainment and recreation	48,114	55,204
Other services	22,239	51,683
Financial assets at amortised cost – companies	**7,617,742**	**7,439,994**

Gross and net investment in leases

The Group mainly leases real estate and, to a lesser extent, movable assets under finance leases. For the receivables from finance leases included in this item, the gross investment is reconciled to the present value of the minimum lease payments as follows.

TEUR	31.12.2025	31.12.2024
Minimum lease payments	1,177,631	1,185,002
Non-guaranteed residual values	0	0
Gross total investment	**1,177,631**	**1,185,002**
Unrealised financial income	-154,554	-164,718
Net investment	**1,023,077**	**1,020,284**
Present value of non-guaranteed residual	0	0
Present value of minimum lease payments	**1,023,077**	**1,020,284**

The cumulative impairment loss on finance leases amounts to TEUR 14,569 (2024: TEUR 19,243).

Leases – breakdown by maturity

TEUR	31.12.2025	31.12.2024
Up to 1 year	213,550	196,834
2 to 3 years	165,004	165,238
3 to 4 years	143,206	142,707
4 to 5 years	115,751	123,045
5 to 6 years	100,087	97,726
More than 5 years	440,033	459,452
Gross total investment	**1,177,631**	**1,185,002**
Up to 1 year	183,607	165,625
2 to 3 years	140,069	138,922
3 to 4 years	122,737	121,104
4 to 5 years	99,226	105,510
5 to 6 years	86,457	83,590
More than 5 years	390,981	405,533
Present value of minimum lease payments	**1,023,077**	**1,020,284**

(20) MARKET VALUES OF HEDGES

Breakdown by type of hedge

TEUR	Positive market values		Negative market values	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Market values of fair value hedges	320,776	311,431	222,557	267,133
Market values of portfolio hedges	46,711	34,262	1,496	2,819
Market values of hedges	**367,487**	**345,693**	**224,053**	**269,952**

Nominal amounts and market values of fair value hedges – breakdown by transaction type

TEUR	Nominal amounts		Positive market values		Negative market values	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Interest rate swaps	11,446,775	11,186,580	347,584	329,236	200,450	254,901
Cross-currency swaps	376,008	354,575	19,903	16,457	23,603	15,051
Interest rate derivatives	**11,822,783**	**11,541,155**	**367,487**	**345,693**	**224,053**	**269,952**
Derivatives	**11,822,783**	**11,541,155**	**367,487**	**345,693**	**224,053**	**269,952**

The market values shown include the interest accrued. The Group did not enter into any cash flow hedge positions in the reporting year or the previous year.

(21) DEFERRED TAX ASSETS

Accounting policy

Deferred taxes are recognised and measured using the balance sheet liability method. Deferred taxes are calculated for each taxable entity at the tax rates that have been enacted or substantively enacted during the taxable period. Deferred taxes are not discounted. The effects of the recognition or reversal of deferred taxes are also included in the consolidated statement of income in income taxes (14) unless deferred tax assets and liabilities relate to items recognised in other comprehensive income (28). In this case, the deferred taxes are recognised or reversed in other comprehensive income (28).

Deferred tax assets reflect the potential tax benefits from temporary differences between the carrying amounts of assets and liabilities on the IFRS consolidated balance sheet and the tax base according to the local tax provisions of Group companies. Deferred tax assets are only recognised if there are sufficient deferred tax liabilities within the same tax entity or it is sufficiently likely that taxable income will be generated in the same tax entity in future. This also applies to the recognition of deferred tax assets on tax loss carryforwards.

In the table below, deferred tax liabilities are deducted from tax assets where, on balance, this results in an asset at the respective taxable entity.

TEUR	31.12.2025	31.12.2024
Temporary differences from the measurement of financial instruments via the income statement	31	72
Temporary differences from write-downs of assets	188	400
Temporary differences from provisions	270	169
Temporary differences from social capital	3,835	4,031
Temporary differences from impairment losses	916	5,171
Other temporary differences	170	434
Deferred tax assets	**5,410**	**10,277**
Set-off of deferred tax liabilities	-3,835	-8,273
Net deferred tax assets	**1,575**	**2,004**

Within the Group, there are tax loss carryforwards of TEUR 1,670 (2024: TEUR 1,920) which can be carried forward indefinitely. However, these are not capitalised because it is unlikely that taxable income will be available in future. The classification of deferred tax assets by maturity is shown in note (30).

(22) TRADING LIABILITIES

Accounting policy

Financial liabilities held for trading purposes are assigned to this category. Derivative financial instruments in the banking book are also recognised in this category if they have a negative market value. The derivatives were mainly concluded to hedge market price risks of financial instruments in the banking book. Although this means there is largely no intention to trade, these derivatives must be recognised in this category in accordance with IFRS.

Trading liabilities and derivatives – breakdown by transaction type

TEUR	31.12.2025	31.12.2024
Derivatives with negative market values	57,197	54,440
Trading liabilities	**57,197**	**54,440**

The nominal amounts and the negative market values of the derivative financial instruments are shown in note (16).

(23) FINANCIAL LIABILITIES AT FAIR VALUE (OPTION)

Accounting policy

Liabilities voluntarily designated at fair value are recognised in this category. This option, referred to as a fair value option, may only be used if it eliminates or significantly reduces inconsistencies in measurement. The financial liabilities primarily relate to issues and fixed-term deposits from institutional investors with interest rates that were fixed for the term. Interest rate swaps were concluded to hedge the resulting interest rate risk. New issues containing embedded derivatives, fixed-rate issues and fixed-term deposits are assigned to this category upon acquisition to avoid an accounting mismatch with the hedging derivative.

The separate recognition and measurement of embedded derivatives (derivatives that form part of a primary financial instrument) as standalone derivatives at their market value relates solely to financial liabilities that are not already measured at fair value. Financial assets with embedded derivatives are already measured at fair value due to the cash flow criterion. Hypo Vorarlberg holds embedded derivatives in the area of bonds with conversion options, inflation-linked, fund-linked and equity-linked own-account revenues, CMS steepeners, CMS floaters, reverse, floaters, multi-tranches and PRDCs. To reduce interest rate risks in connection with these instruments, interest rate swaps are typically concluded as economic hedges. The fair value option is applied to these financial liabilities in order to prevent an accounting mismatch, meaning there is no longer a separation requirement.

TEUR	31.12.2025	31.12.2024
Term deposits from customers	107,768	112,279
Debt securities issued	705,275	670,482
Financial liabilities at fair value (option)	813,043	782,761

Financial liabilities at fair value (option) by product

TEUR	31.12.2025	31.12.2024
Mortgage bonds	0	20,676
Municipal bonds	111,483	108,571
Bonds	227,442	242,328
Housing construction bank bonds	336,861	269,528
Supplementary capital	29,489	29,379
Total debt securities issued	705,275	670,482
Promissory note loans	107,768	112,279
Total deposits	107,768	112,279
Financial liabilities at fair value (option)	813,043	782,761

Financial liabilities at fair value (option) by region

TEUR	31.12.2025	31.12.2024
Austria	707,161	672,989
Germany	105,882	109,772
Financial liabilities at fair value (option)	813,043	782,761

Financial liabilities at fair value (option) by business segment

TEUR	31.12.2025	31.12.2024
Financial Markets	807,331	777,045
Corporate Centre	5,712	5,716
Financial liabilities at fair value (option)	813,043	782,761

Financial liabilities at fair value (option) by sector

TEUR	31.12.2025	31.12.2024
Banks	705,274	670,482
Financial companies	107,769	112,279
Financial liabilities at fair value (option)	813,043	782,761

Financial liabilities at fair value (option) – disclosures on changes in fair value

TEUR	31.12.2025	31.12.2024
Carrying amount	813,043	782,761
Amount repayable	847,592	805,892
Difference between carrying amount and amount repayable	-34,549	-23,131
Total change in market value	-15,960	-6,308
of which due to market risk	-10,998	5,740
of which due to credit risk	-4,962	-12,048
Change in market value in the reporting period	-9,652	17,724
of which due to market risk	-16,738	11,076
of which due to credit risk	7,086	6,648

When calculating the fair value of financial liabilities at fair value (option), the credit spread is derived from market data. When determining the change in fair value due to credit risk, a differentiated analysis of the financial instruments is performed with regard to currency, maturity, type of placement and collateralisation or risk structure. The change in fair value due to credit risk is calculated by deducting the change in fair value due to market risk from the total change in fair value using a model calculation.

Disclosures on changes in supplementary capital (LFVO)

TEUR	2025	2024
LFVO supplementary capital as at 1 January	29,379	25,146
New intake	0	2,500
Repayments	-130	0
Change in deferred interest	25	-17
Change from measurement	215	1,750
LFVO supplementary capital as at 31 De-	29,489	29,379

(24) FINANCIAL LIABILITIES AT AMORTISED COST

Accounting policy

Liabilities for which there is no intention to trade and for which the fair value option was not selected are recognised in this category. This category is also used to report trade payables and liabilities from leases, the amount of which is immaterial.

TEUR	31.12.2025	31.12.2024
Liabilities to banks	401,549	439,049
Demand deposits from customers	4,547,528	4,230,601
Savings deposits from customers	671,623	715,010
Debt securities issued	6,998,330	7,134,663
Trade payables	6,728	14,706
Liabilities from leases	8,354	9,442
Financial liabilities at amortised cost	12,634,112	12,543,471

In financial liabilities at amortised cost, the use of hedge accounting led to the amortised cost of TEUR 6,735,389 (2024: TEUR 6,953,307) being adjusted for the hedged fair value of TEUR -139,239 (2024: TEUR -113,079).

Financial liabilities at amortised cost by product

TEUR	31.12.2025	31.12.2024
Mortgage bonds	4,382,785	4,497,056
Municipal bonds	59,780	61,912
Medium-term fixed-rate notes	47,218	56,296
Bonds	2,187,907	2,202,975
Tier 2 capital (T2)	216,529	266,043
Additional core capital (AT1)	104,111	50,381
Total debt securities issued	6,998,330	7,134,663
Interbank accounts	331,851	281,544
Money market deposits	58,913	67,772
Demand deposits	2,937,647	2,651,874
Term deposits	1,566,736	1,578,726
Savings accounts	654,554	678,821
Capital savings accounts	17,068	36,189
Promissory note loans	53,931	89,734
Total deposits	5,620,700	5,384,660
Trade payables	6,728	14,706
Other financial liabilities	8,354	9,442
Total other financial liabilities	15,082	24,148
Financial liabilities at amortised cost	12,634,112	12,543,471

Financial liabilities at amortised cost by region

TEUR	31.12.2025	31.12.2024
Austria	9,746,520	9,576,942
Germany	749,579	737,330
Switzerland and Liechtenstein	1,796,972	1,859,070
Italy	9,840	7,599
Other foreign countries	331,201	362,530
Financial liabilities at amortised cost	12,634,112	12,543,471

Financial liabilities at amortised cost by business segment

TEUR	31.12.2025	31.12.2024
Corporate Customers	1,985,943	1,884,196
Private Customers	2,907,661	2,749,900
Financial Markets	7,382,205	7,547,376
Corporate Centre	358,303	361,999
Financial liabilities at amortised cost	12,634,112	12,543,471

Financial liabilities at amortised cost by sector

TEUR	31.12.2025	31.12.2024
Central banks	18,804	16,379
Public sector	179,140	266,499
Banks	7,337,041	7,506,084
Financial companies	515,536	484,092
Companies	1,766,244	1,607,772
Private households	2,817,347	2,662,645
Financial liabilities at amortised cost	12,634,112	12,543,471

Financial liabilities at amortised cost – companies by industry

TEUR	31.12.2025	31.12.2024
Agriculture and forestry	5,597	5,212
Mining	419	71
Manufacturing	300,259	226,578
Energy supply	89,272	104,587
Water supply	5,084	4,238
Construction	131,565	101,358
Trade	188,485	217,371
Transportation and storage	63,525	55,007
Accommodation and hospitality	72,673	63,554
Information and communication	42,368	33,290
Financial services	65,373	71,938
Housing	317,655	261,769
Liberal professions	307,857	256,414
Other economic services	35,467	44,983
Public administration	14,539	52,895
Education	13,626	8,863
Health and social care	69,449	73,605
Arts, entertainment and recreation	29,607	13,302
Other services	13,424	12,737
Financial liabilities at amortised cost – companies	1,766,244	1,607,772

Disclosures on changes in tier 2 capital and additional tier 1 capital (LAC)

TEUR	2025	2024
LAC tier 2 capital and additional tier 1 capital as at 1 January	316,424	289,109
New intake	53,683	20,000
Repayments	-50,000	0
Currency changes	1,118	-1,744
Change in deferred interest	123	560
Change from measurement	-708	8,499
LAC tier 2 capital and additional tier 1 capital as at 31 December	320,640	316,424

Accounting as lessee

IFRS 16 stipulates that both the asset representing the right of use and the liability representing the lease payment obligation are to be shown in the lessee's balance sheet. At the start of the contract term, an assessment is made as to whether the contract constitutes a lease and whether the contract transfers control of the identified asset for a certain period in exchange for a fee. The right-of-use asset and the liability are recognised at the start of the term.

Item	Presentation	Measurement/method
Right-of-use asset	Property, plant and equipment	Cost less cumulative depreciation
Depreciation	Depreciation and amortisa-	Straight-line basis
Lease liability	(24) Financial liabilities at amortised cost	Present value of outstanding lease payments
Interest expense in respect of operating leases	(5) Net interest income	
Payments for short-term and immaterial leases	(11) Administrative expenses	

When the leased item is transferred to the lessee, the lease liability is measured. The outstanding lease payments are discounted at the interest rate implicit in the lease, provided this can be determined on the basis of the contract. If this is not the case, they are discounted on the basis of a calculated borrowing rate. The Group calculates this rate using the risk-free yield curves adjusted by mark-ups based on its own credit risk, the amount of the loan, the term and, if necessary, existing collateral.

The standard provides for exemptions for the recognition of short-term leases and leases for which the value of the underlying asset is immaterial. Specifically, this relates to leases whose term does not exceed one year and whose equivalent value is less than TEUR 5. The Group makes use of the exemptions for short-term and low-value leases.

Disclosures on lease liabilities by remaining term

TEUR	31.12.2025	31.12.2024
Up to 3 months	404	365
Between 3 and 12 months	1,076	1,092
Between 1 and 5 years	4,431	5,686
More than 5 years	1,621	2,282
Lease liabilities	7,532	9,425

The lease liabilities shown by remaining term represent undiscounted lease payments. The total amount of the payments therefore does not match the present value of the lease liabilities as shown in the table above. The weighted average interest rate is 2.58%. Expenses for short-term leases, for low-value leases and from variable lease payments not included in the measurement of the respective lease liability amounted to TEUR 368 (2024: TEUR 144).

Change in lease liabilities

TEUR	2025	2024
Lease liabilities as at 1 January	9,442	9,855
Interest expense	239	242
Remeasurement	553	1,706
Disposals due to reversals	0	-430
Lease payments	-1,880	-1,931
Lease liabilities as at 31 December	8,354	9,442

(25) PROVISIONS

Accounting policy

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are therefore recognised for uncertain liabilities to third parties and anticipated losses from pending transactions in the amount of the expected claims. The amount recognised for a provision represents the best estimate of the expenditure required to settle the present obligation at the reporting date. Risks and uncertainties are taken into account in the estimate. Provisions are recognised at their present value where the interest effect is material. Provisions also include provisions for losses on loans and advances for off-balance-sheet transactions (in particular guarantees and warranties) and provisions for litigation. Expenses or income from the reversal of allowances for losses on loans and advances for off-balance-sheet items are recognised in the income statement under allowances for losses on loans and advances and impairment losses on financial assets (12). All other expenses or income in connection with provisions are reported under administrative expenses (11) and other expenses (10).

The Group's social capital is also reported in provisions. Social capital describes provisions for defined benefit plans for employees. Social capital includes provisions for pensions, severance, anniversary bonuses and disability risk. The liability recognised in connection with a defined benefit plan equals the present value of the obligation less the fair value of the plan assets out of which the obligations are to be settled directly. The present value of the obligation exceeds the fair value of the plan assets in all plans.

Pensions

At Hypo Vorarlberg, nine (2024: nine) pensioners and surviving dependants are entitled to a defined benefit bank pension. This is a final salary pension plan based on a company agreement. Defined contribution pension fund agreements have been concluded with the employees who are still active and entitled to a pension. Due to the legal requirements of the Occupational Pensions Act (BVG), 43 employees of the St. Gallen branch (2024: 37) are entitled to a defined benefit pension. The Group and the employees make contributions to the BVG collective foundation Swiss Life, which is managed by Swiss Life Ltd. There is no further de facto obligation arising from normal company practice.

Severance
Austrian labour law previously required a severance payment to be made to employees on termination of their employment relationship under certain circumstances. Severance entitlements are governed by section 23 of the Austrian Salaried Employees Act. In particular, this includes termination of employment due to retirement. All employees who joined the company before 1 January 2003 are entitled to this severance. Depending on the length of service, the maximum severance entitlement is one year's salary calculated on the basis of the employee's final salary. This is a defined benefit plan. The Group has recognised a severance provision for these entitlements.

Anniversary bonuses
Each employee of Hypo Vorarlberg is entitled to one month's salary after 25 years of service and two months' salary after 40 years of service as an anniversary bonus. The entitlement to anniversary bonuses is based on the collective agreement, which regulates both the requirements for the entitlement and its amount.

Defined contribution plans
The agreed payments to pension funds in connection with defined contribution plans are recognised as an expense on an ongoing basis. Similarly, the statutory "new severance payment" (for employees who joined the company on or after 1 January 2003) is recognised as an expense on an ongoing basis. There are no further obligations.

Judgements, estimates and adjustments
The amount recognised for provisions represents the best possible estimate of the expenditure required to meet the current obligations as at the end of the reporting period. Risks and uncertainties are taken into account in the estimate. The effects on the income statement are shown in note (12) in the case of liability and credit risks and in notes (11), (9) and (10) in other cases. The carrying amount of the provisions subject to judgements, assumptions and estimates – not including social capital – is TEUR 16,745 (2024: TEUR 18,746).

The provisions for pensions, old severance payment claims and anniversary bonuses represent defined benefit provisions. The present value of social capital is calculated based on the following actuarial assumptions:

- Provisions for defined benefit commitments are recognised using the projected unit credit method.
- The expected retirement age is calculated individually for each employee based on the current provisions. The gradual raising of the retirement age to 65 for men and women is taken into account.
- Use of "Generation tables for employees: AVÖ 2018-P" as the basis of calculation for pensions.

Actuarial assumptions for the calculation of the present value of social capital	2025	2024
Actuarial interest rate	4.20%	3.50%
Annual indexing for pension provisions	3.50%	3.00%
Annual indexing (collective bargaining and performance-based salary increases) for other provisions	3.30%	2.80%
Employee turnover rate for severance provisions	0.50%	0.50%
Employee turnover rate for other provisions	3.00%	10.00%
Individual career trend	2.00%	2.00%

Actuarial gains and losses from the adjustment of actuarial assumptions were recognised in other comprehensive income (28) in the amount of TEUR 1,180 (2024: TEUR -76). The deferred taxes resulting from this recognition were also recognised directly in other comprehensive income (28) in the amount of TEUR -278 (2024: TEUR 14). Pension payments of TEUR 378 (2025: TEUR 394), severance payments of TEUR 814 (2025: TEUR 807) and anniversary bonuses of TEUR 154 (2025: TEUR 160) are expected for 2026.

The amount of the provisions for social capital is based on actuarial calculations. One significant factor determining the amount of the social capital is the actuarial interest rate. A reduction of 0.5% in the actuarial interest rate would increase staff costs by TEUR 989 (2024: TEUR 1,058), while an increase of 0.5% in the actuarial interest rate would reduce staff costs by TEUR 918 (2024: TEUR 979). A reduction of 0.5% in the salary trend or the pension trend would reduce staff costs by TEUR 907 (2024: TEUR 966), while an increase of 0.5% in the salary trend or the pension trend would increase staff costs by TEUR 967 (2024: TEUR 1,033). A reduction of 0.5% in the turnover rate would increase staff costs by TEUR 85 (2024: TEUR 89), while an increase of 0.5% in the turnover rate would reduce staff costs by TEUR 86 (2024: TEUR 89). Effects on the income statement are shown in administrative expenses in note (11) and other comprehensive income in note (28). The carrying amount of the social capital subject to judgements, assumptions and estimates is TEUR 21,233 (2024: TEUR 22,708).

Provisions by type

TEUR	31.12.2025	31.12.2024
Severance provisions	14,503	15,445
Pension provisions	3,071	3,988
Service anniversary provisions	3,659	3,275
Social capital	**21,233**	**22,708**
Provisions for guarantees/liability agree-	8,781	8,838
Provisions for ongoing litigation	693	735
Staff provisions	175	184
Provision for other expenses	7,096	8,989
Other provisions	**16,745**	**18,746**
Provisions	**37,978**	**41,454**

A breakdown by maturity and the expected maturities of the resulting outflows is shown in note (30).

Although guarantees and warranties are not shown on the balance sheet, the credit risk they pose is not insubstantial. To account for this default risk, provisions are recognised for customers with a certain deterioration in their credit rating. If a contingent liability from a guarantee or warranty takes effect, Hypo Vorarlberg has the right to recourse from the guarantee holder. The collateral provided by the guarantee holder is therefore taken into consideration when recognising the provision. An inflow of economic benefits in excess of the collateral is not expected.

Credit risk provisions are also intended to cover credit risk from unutilised credit lines. Loans granted to customers but not yet drawn down represent contingent liabilities. As these are not shown on the balance sheet, loan loss provisions can only be recognised under provisions. As they constitute loan commitments according to IFRS 9, they do not fall under the scope of IAS 37. These provisions are therefore determined in accordance with IFRS 9.

Provisions for litigation include both the expected costs of proceedings and consulting fees as well as the estimated payment obligations to the other party arising from the proceedings.

No specific assets or funding are in place for social capital other than the pension agreement for employees of the St. Gallen branch. For employees of the St. Gallen branch, the fund assets are invested by Swiss Life AG, Zürich, within the framework of the BVG collective foundation Swiss Life. The fund assets are professionally managed by Swiss Life AG and risk diversification forms part of the investment strategy.

Employers and employees both pay their contributions into this fund. This means the fund assets, and hence their measurement effects, are not included in these consolidated financial statements. Accordingly, the provision reflects the net obligation from the present value of the defined benefit obligations less the fair value of the fund assets. Gains and losses from the allocation or reversal of provisions are reported directly in administrative expenses (11) and other comprehensive income (28). For pension provisions, fixed-interest securities are held as collateral for pension recipients' pension entitlements.

Expected utilisation of social capital

TEUR	31.12.2025	31.12.2024
Up to 3 months	333	222
Between 3 and 12 months	939	1,167
Between 1 and 5 years	4,388	4,794
More than 5 years	15,573	16,525
Social capital	**21,233**	**22,708**

Development of social capital

TEUR 2024	Severance provisions	Pension provisions	Service anniversary provisions	Total
Present value at 1 January	**15,268**	**4,268**	**3,198**	**22,734**
Years of service expense	271	-14	248	505
Interest expense	484	122	112	718
Actuarial gains/losses from financial assumptions	83	31	-167	-53
Foreign currency risk	0	-18	0	-18
Benefit payments	-614	-401	-116	-1,131
Other changes	-47	0	0	-47
Present value as at 31 December	**15,445**	**3,988**	**3,275**	**22,708**

TEUR 2025	Severance provisions	Pension provisions	Service anniversary provisions	Total
Present value at 1 January	**15,445**	**3,988**	**3,275**	**22,708**
Years of service expense	224	131	271	626
Interest expense	544	124	151	819
Actuarial gains/losses from financial assumptions	-329	-781	131	-979
Foreign currency risk	0	3	0	3
Benefit payments	-1,260	-394	-169	-1,823
Other changes	-121	0	0	-121
Present value as at 31 December	**14,503**	**3,071**	**3,659**	**21,233**

The actuarial gains/losses from severance and pension provisions of TEUR 1,180 (2024: TEUR -76) recognised in other comprehensive income (28) are attributable to changes in financial assumptions.

For the defined benefit obligation for the employees of the St. Gallen branch, the components of the fund assets are presented and the fund assets reconciled below.

Fund asset components

TEUR	31.12.2025	31.12.2024
Fair value of assets from defined benefit plans	15,771	12,010
of which equity instruments	2,894	1,574
of which debt securities	8,686	7,092
of which properties	3,831	2,949
of which other assets from defined benefit plans	360	395
Present value of obligations from defined benefit plans	15,368	12,570
Net defined benefit obligation – St. Gallen branch	**-403**	**560**

Reconciliation of fund assets

TEUR	2025	2024
Fair value of assets from defined benefit plans as at 1 January	**12,010**	**8,463**
Currency translation effects	126	-137
Interest income from assets	131	141
Gain/loss on remeasurement of assets	1,523	1,427
Employer contribution payments	611	524
Employee contribution payments	422	359
Plan participant contribution payments	1,003	1,233
Disbursements	-55	0
Fair value of assets from defined benefit plans on 31 December	**15,771**	**12,010**

Disbursements from fund assets amounted to TEUR -55 in the 2025 financial year (2024: TEUR 0).

Changes in other provisions

TEUR 2024	Guarantees and commitments	Ongoing litigation	Staff	Other	Total
Carrying amount as at 1 January	**11,398**	**1,177**	**173**	**2,603**	**15,351**
Addition	7,313	905	4	6,949	15,171
Utilisation	0	-813	-4	-274	-1,091
Reversal	-9,618	-544	11	-279	-10,430
Unwinding	-252	0	0	0	-252
Remaining adjustment	-3	10	0	-10	-3
Carrying amount as at 31 December	**8,838**	**735**	**184**	**8,989**	**18,746**

TEUR 2025	Guarantees and commitments	Ongoing litigation	Staff	Other	Total
Carrying amount as at 1 January	**8,838**	**735**	**184**	**8,989**	**18,746**
Addition	5,245	765	4	1,856	7,870
Utilisation	0	-542	-13	-912	-1,467
Reversal	-5,302	-265	0	-2,837	-8,404
Unwinding	-2	0	0	0	-2
Remaining adjustment	2	0	0	0	2
Carrying amount as at 31 December	**8,781**	**693**	**175**	**7,096**	**16,745**

(26) INCOME TAX OBLIGATIONS

Income tax obligations – breakdown by type

TEUR	31.12.2025	31.12.2024
Tax provision	1,801	2,442
Income tax liabilities	9	8
Income tax obligations	**1,810**	**2,450**

Development of the tax provision

TEUR	2025	2024
Carrying amount as at 1 January	**2,442**	**2,451**
Currency translation	9	-4
Addition	976	1,558
Utilisation	-1,575	-1,563
Reversal	-51	0
Carrying amount as at 31 December	**1,801**	**2,442**

The breakdown by maturity is shown in note (30).

(27) DEFERRED TAX LIABILITIES

Accounting policy

The general accounting policies for deferred taxes are described in note (21). Deferred tax liabilities reflect the potential tax expenses from temporary differences between the carrying amounts of assets and liabilities on the IFRS consolidated balance sheet and the tax base according to the local tax provisions of Group companies.

In the table below, deferred tax assets are deducted from tax liabilities when they represent a liability in net terms in the respective tax entity. The breakdown by maturity is shown in note (30).

TEUR	31.12.2025	31.12.2024
Temporary differences from the measurement of financial instruments via the income statement	7,339	12,800
Temporary differences from write-downs of assets	4,489	4,794
Temporary differences from provisions	1,473	2,754
Temporary differences from impairment losses	15,362	0
Other temporary differences	652	568
Deferred tax liabilities	**29,315**	**20,916**
Set-off of deferred taxes	-3,835	-8,273
Net deferred tax liabilities	**25,480**	**12,643**

TEUR -426 (2024: TEUR -1,597) was recognised directly in other comprehensive income (28) for actuarial gains/losses from defined benefit plans. The corresponding deferred taxes (tax liability) amounted to TEUR 98 (2024: TEUR 367). Based on the recognition of changes in the Bank's own credit risk directly in equity in other comprehensive income (28) in the amount of TEUR 5,183 (2024: TEUR 12,275), deferred taxes (tax liability) of TEUR -1,192 (2024: TEUR -2,823) were also reversed directly in equity.

There are no outside basis differences in relation to the companies included in the consolidated financial statements.

(28) SHAREHOLDERS' EQUITY

Shareholders' equity – breakdown by type

TEUR	31.12.2025	31.12.2024
Share capital	162,152	162,152
Capital reserve	44,674	44,674
Accumulated other comprehensive income	**3,695**	**8,283**
Total items without recycling	**3,664**	**8,223**
Measurement of pension plans	-327	-1,229
Measurement from changes in own credit rating	3,991	9,452
Total items with recycling	**31**	**60**
Foreign currency measurement	31	60
Retained earnings	1,324,850	1,281,701
Total attributable to shareholders of the parent company	**1,535,371**	**1,496,810**
Non-controlling interests in shareholders' equity	50	47
Shareholders' equity	**1,535,421**	**1,496,857**

The subscribed capital consists of the fully paid-up share capital of TEUR 162,152 (2024: TEUR 162,152). On 31 December 2025, there were a total of 316,736 shares outstanding (2024: 316,736 shares) with a nominal value of EUR 512.

Retained earnings include the statutory reserve. The reversal of the statutory reserve in the amount of TEUR 10,601 (2024: TEUR 10,601) is attributable to the Austrian Commercial Code (UGB) in conjunction with the Austrian Stock Corporation Act (AktG).

The liable capital pursuant to section 57 (5) of the Austrian Banking Act (BWG) is also shown under retained profits. The reversal of the liable capital in the amount of TEUR 139,082 (2024: TEUR 139,082) is only permitted to the extent that this is necessary in order to meet obligations in accordance with section 93 BWG or to cover other losses reported in the annual financial statements. The liable capital must be replenished in the amount of the reversal within the next five financial years at the latest.

Reconciliation of accumulated other comprehensive income

TEUR	Measurement of pension plans	Measurement from change in own credit rating	Foreign currency measurement	Total
Balance at 01.01.2024	-1,167	14,140	85	13,058
Equity transfer	0	0	-85	-85
OCI measurement, not recyclable	-76	-6,089	0	-6,165
Deferred taxes, not recyclable	14	1,401	0	1,415
OCI measurement, recyclable	0	0	60	60
Balance at 31.12.2024	-1,229	9,452	60	8,283
Balance at 01.01.2025	-1,229	9,452	60	8,283
Equity transfer	0	0	-60	-60
OCI measurement, not recyclable	1,180	-7,092	0	-5,912
Deferred taxes, not recyclable	-278	1,631	0	1,353
OCI measurement, recyclable	0	0	31	31
Balance at 31 December 2025	-327	3,991	31	3,695

Other comprehensive income includes an amount of TEUR 221 (2024: TEUR 227) attributable to financial instruments voluntarily designated at fair value that have already been repaid or sold.

Dividends of Hypo Vorarlberg
Hypo Vorarlberg is permitted to distribute as a dividend not exceeding the amount of the net retained profits reported in the single-entity financial statements in accordance with BWG and UGB, namely TEUR 11,719 (2024: TEUR 10,136).

The UGB net profit reported by Hypo Vorarlberg for the 2025 financial year amounted to TEUR 29,361 (2024: TEUR 52,027). Following an allocation to reserves of TEUR 17,642 (2024: TEUR 41,891) and after adding the retained profit of TEUR 0 (2024: TEUR 0), the net retained profits available for appropriation amounted to TEUR 11,719 (2024: TEUR 10,136). Subject to approval by the Annual General Meeting and taking further developments up until the time of this resolution into account, a dividend of EUR 37 (2024: EUR 32) per eligible share is proposed based on the shares and the associated share capital of TEUR 162,152 (2024: TEUR 162,152). With 316,736 shares outstanding (2024: 316,736 shares), this results in a distribution of TEUR 11,719 (2024: TEUR 10,136).

(29) FOREIGN CURRENCY VOLUME AND FOREIGN-DENOMINATED ASSETS AND LIABILITIES

TEUR 31.12.2024	EUR	USD	CHF	JPY	Other	Total
Cash reserve	201,937	1,980	291,313	2,801	11,902	509,933
Trading assets	98,152	4,807	469	619	29	104,076
Financial assets at fair value (non-SPPI)	525,483	39,381	9,644	10,075	0	584,583
Financial assets at fair value (option)	188,014	0	0	0	11,194	199,208
Financial assets at amortised cost	11,521,143	56,935	1,599,415	3,719	113,617	13,294,829
Positive market values of hedges	306,447	2,071	37,121	0	54	345,693
Fair value change portfolio from interest rate risks	13,829	0	0	0	0	13,829
Holdings	746	0	0	0	0	746
Shares in companies measured at equity	4,025	0	0	0	0	4,025
Property, plant and equipment	76,501	0	6,414	0	0	82,915
Investment property	45,237	0	0	0	0	45,237
Intangible assets	1,520	0	1,356	0	0	2,876
Income tax assets	18,265	0	0	0	0	18,265
Deferred tax assets	2,000	0	4	0	0	2,004
Other assets	39,638	0	2,403	0	65	42,106
Assets	13,042,937	105,174	1,948,139	17,214	136,861	15,250,325

TEUR 31.12.2024	EUR	USD	CHF	JPY	Other	Total
Trading liabilities	52,609	19	585	1,172	55	54,440
Financial liabilities at fair value (option)	782,761	0	0	0	0	782,761
Financial liabilities at amortised cost	10,558,120	131,303	1,714,691	82,595	56,762	12,543,471
Negative market values of hedges	237,424	78	23,036	8,940	474	269,952
Provisions	40,879	0	575	0	0	41,454
Income tax obligations	1,499	0	951	0	0	2,450
Deferred tax liabilities	12,643	0	0	0	0	12,643
Other liabilities	43,016	133	3,148	0	0	46,297
Shareholders' equity	1,496,878	0	-21	0	0	1,496,857
Liabilities and shareholders' equity	13,225,829	131,533	1,742,965	92,707	57,291	15,250,325

TEUR 31.12.2025	EUR	USD	CHF	JPY	Other	Total
Cash reserve	278,862	9,199	138,803	625	5,644	433,133
Trading assets	103,780	2,405	194	0	256	106,635
Financial assets at fair value (non-SPPI)	422,345	27,899	8,463	8,384	0	467,091
Financial assets at fair value (option)	117,476	0	0	0	10,319	127,795
Financial assets at amortised cost	11,754,156	38,020	1,749,886	3,004	132,929	13,677,995
Positive market values of hedges	332,312	521	34,099	0	555	367,487
Fair value change portfolio from interest rate risks	-2,289	0	0	0	0	-2,289
Holdings	746	0	0	0	0	746
Shares in companies measured at equity	4,226	0	0	0	0	4,226
Property, plant and equipment	76,382	0	6,883	0	0	83,265
Investment property	41,908	0	0	0	0	41,908
Intangible assets	2,261	0	913	0	0	3,174
Income tax assets	30,890	0	0	0	0	30,890
Deferred tax assets	1,575	0	0	0	0	1,575
Other assets	34,165	0	2,397	0	221	36,783
Assets	13,198,795	78,044	1,941,638	12,013	149,924	15,380,414

TEUR 31.12.2025	EUR	USD	CHF	JPY	Other	Total
Trading liabilities	50,173	564	5	6,454	1	57,197
Financial liabilities at fair value (option)	813,043	0	0	0	0	813,043
Financial liabilities at amortised cost	10,723,224	75,760	1,703,756	90,068	41,304	12,634,112
Negative market values of hedges	184,794	200	17,774	20,800	485	224,053
Provisions	37,922	0	56	0	0	37,978
Income tax obligations	926	0	884	0	0	1,810
Deferred tax liabilities	25,480	0	0	0	0	25,480
Other liabilities	47,331	126	3,863	0	0	51,320
Shareholders' equity	1,535,423	0	-2	0	0	1,535,421
Liabilities and shareholders' equity	13,418,316	76,650	1,726,336	117,322	41,790	15,380,414

The difference between assets and liabilities in the individual currencies does not represent the Group's open foreign currency position as defined in Article 352 CRR. Open foreign currency positions are hedged using derivative financial instruments such as currency swaps or cross-currency swaps. However, these hedges are not recognised at their nominal amount in the IFRS balance sheet, but instead at market value. As at 31 December 2025, the total of all open foreign currency positions in accordance with Article 352 CRR amounted to TEUR 6,099 (2024: TEUR 6,018).

Foreign-denominated assets and liabilities

TEUR	31.12.2025	31.12.2024
Foreign assets	5,337,989	5,312,320
Foreign liabilities	3,268,712	3,549,515

(30) MATURITIES

TEUR 31.12.2024	Payable on demand	Up to 3 months	Up to 1 year	Up to 5 years	More than 5 years	No maturity	Total
Cash reserve	487,552	0	0	0	0	22,381	509,933
Trading assets	15	6,385	4,375	16,538	76,615	148	104,076
Financial assets at fair value (non-SPPI)	66,027	58,212	139,548	174,199	128,788	17,809	584,583
Financial assets at fair value (option)	2	13,697	49,086	63,982	72,441	0	199,208
Financial assets at amortised cost	705,369	1,751,373	1,363,330	4,321,630	5,107,620	45,507	13,294,829
Positive market values of hedges	0	2,751	3,379	130,547	209,016	0	345,693
Fair value change portfolio from interest rate risks	0	0	0	0	13,829	0	13,829
Holdings	0	0	0	0	0	746	746
Shares in companies measured at equity	0	0	0	0	0	4,025	4,025
Property, plant and equipment	0	0	0	0	0	82,915	82,915
Investment property	0	0	0	0	0	45,237	45,237
Intangible assets	0	0	0	0	0	2,876	2,876
Income tax assets	40	0	17,815	410	0	0	18,265
Deferred tax assets	55	4	0	1,855	81	9	2,004
Other assets	15,395	3,517	2,541	3,231	122	17,300	42,106
Assets	**1,274,455**	**1,835,939**	**1,580,074**	**4,712,392**	**5,608,512**	**238,953**	**15,250,325**

TEUR 31.12.2024	Payable on demand	Up to 3 months	Up to 1 year	Up to 5 years	More than 5 years	Without maturity	Total
Trading liabilities	29	2,887	2,029	17,007	32,488	0	54,440
Financial liabilities at fair value (option)	0	25,396	31,697	286,795	438,873	0	782,761
Financial liabilities at amortised cost	3,646,163	1,215,026	985,941	5,096,779	1,592,174	7,388	12,543,471
Negative market values of hedges	0	3,800	1,651	164,034	100,467	0	269,952
Provisions	1,523	1,733	7,417	11,768	17,829	1,184	41,454
Income tax obligations	0	5	1,853	3	0	589	2,450
Deferred tax liabilities	9,722	6	0	37	1,927	951	12,643
Other liabilities	19,169	8,970	6,116	11,106	836	100	46,297
Shareholders' equity	0	0	0	0	0	1,496,857	1,496,857
Liabilities and shareholders' equity	**3,676,606**	**1,257,823**	**1,036,704**	**5,587,529**	**2,184,594**	**1,507,069**	**15,250,325**

TEUR 31.12.2025	Payable on demand	Up to 3 months	Up to 1 year	Up to 5 years	More than 5 years	Without maturity	Total
Cash reserve	411,205	0	0	0	0	21,928	433,133
Trading assets	0	6,119	3,614	14,219	82,536	147	106,635
Financial assets at fair value (non-SPPI)	105,577	31,812	43,797	174,029	95,881	15,995	467,091
Financial assets at fair value (option)	2	1,062	946	63,513	62,272	0	127,795
Financial assets at amortised cost	804,402	1,565,648	1,260,027	4,354,732	5,659,447	33,739	13,677,995
Positive market values of hedges	0	14,748	5,749	135,832	211,158	0	367,487
Fair value change portfolio from interest rate risks	0	0	0	0	-2,289	0	-2,289
Holdings	0	0	0	0	0	746	746
Shares in companies measured at equity	0	0	0	0	0	4,226	4,226
Property, plant and equipment	0	0	0	0	0	83,265	83,265
Investment property	0	0	0	0	0	41,908	41,908
Intangible assets	0	0	0	0	0	3,174	3,174
Income tax assets	34	0	30,506	350	0	0	30,890
Deferred tax assets	12	0	0	1,401	41	121	1,575
Other assets	14,476	4,259	238	2,107	68	15,635	36,783
Assets	1,335,708	1,623,648	1,344,877	4,746,183	6,109,114	220,884	15,380,414

TEUR 31.12.2025	Payable on demand	Up to 3 months	Up to 1 year	Up to 5 years	More than 5 years	Without maturity	Total
Trading liabilities	0	3,955	12,365	7,212	33,665	0	57,197
Financial liabilities at fair value (option)	0	18,459	33,749	313,997	446,838	0	813,043
Financial liabilities at amortised cost	3,781,540	1,142,472	1,349,796	5,052,892	1,307,412	0	12,634,112
Negative market values of hedges	0	2,168	7,903	132,258	81,724	0	224,053
Provisions	1,409	966	7,172	10,953	16,286	1,192	37,978
Income tax obligations	0	12	1,729	0	0	69	1,810
Deferred tax liabilities	945	-1,868	5,244	7,077	12,286	1,796	25,480
Other liabilities	17,786	14,341	8,271	10,196	724	2	51,320
Shareholders' equity	0	0	0	0	0	1,535,421	1,535,421
Liabilities and shareholders' equity	3,801,680	1,180,505	1,426,229	5,534,585	1,898,935	1,538,480	15,380,414

D. ADDITIONAL IFRS INFORMATION

(31) DISCLOSURES ON THE CASH FLOW STATEMENT

The statement of cash flows is presented using the indirect method. This is done by calculating the net cash flow from operating activities based on the consolidated net profit after first adding expenses and deducting income that did not affect cash in the financial year. All expenses and income that affected cash but that are not attributable to operating activities are also eliminated. These payments are instead included in the cash flows from investing activities or financing activities.

(32) CONTINGENT LIABILITIES AND CREDIT RISKS

Accounting policy

In accordance with IFRS 9, a financial guarantee contract is a contract under which the guarantor is obliged to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The obligation under a financial guarantee is recognised as soon as the guarantee holder becomes a contracting party, i.e. at the time the guarantee offer is accepted. Initial measurement is at fair value at the date of recognition. Overall, the fair value of a financial guarantee is generally zero at the inception of the contract, as the value of the agreed premium corresponds to the value of the guarantee obligation in the case of fair market contracts. If the guarantee premium is collected in full at the inception of the contract, the premium is initially recognised as a liability and amortised over the term of the contract. If regular premiums are paid under the guarantee, they are recognised on an accrual basis in fee and commission income. If there are indications of a deterioration in the creditworthiness of the guarantee holder, provisions are recognised in the amount of the expected utilisation.

Off-balance-sheet transactions

TEUR	31.12.2025	31.12.2024
Loan commitments granted	1,698,944	1,670,923
Financial guarantees granted	314,403	282,002
Other guarantees granted	4,831	20,380
Off-balance-sheet transactions	2,018,178	1,973,305

Loan commitments granted include loans that have been granted but not yet drawn down by customers. This relates in particular to commitments in lending business, as well as to unutilised credit lines. Credit risks were recognised at their nominal amount in each case. Contingent liabilities from financial guarantees represent commitments to assume liability for customers for the benefit of a third party. If the guaranteed party does not meet its contractual obligations, the beneficiary can utilise the Bank's financial guarantee. The Bank in turn has the possibility of recourse to the respective customer. The amounts shown represent the maximum amount that could lead to a payment in the event of utilisation. It is difficult to recognise contingent assets in connection with financial guarantees, as the utilisation of the obligation cannot be foreseen or plausibly estimated. Other granted commitments relate to certain fiduciary and documentary credit business.

Contingent liabilities – breakdown by remaining term to maturity

TEUR	31.12.2025	31.12.2024
Payable on demand	20,625	19
Up to 3 months	17,549	18,017
Up to 1 year	59,589	64,721
Up to 5 years	86,334	97,514
More than 5 years	45,326	32,370
Without maturity	89,811	89,741
Contingent liabilities	319,234	302,382

In addition to the contingent liabilities described above, there are the following other contingent obligations.

Obligation from membership of the deposit protection scheme "Einlagensicherung AUSTRIA Ges.m.b.H. (ESA)" as required by section 8 of the Austrian Federal Act on Deposit Protection and Investor Compensation at Banks (ESAEG):

In accordance with section 8 (1) ESAEG, Hypo Vorarlberg – as a deposit-taking bank (CRR bank) headquartered in Austria – forms part of the uniform deposit protection scheme pursuant to section 1 (1) no. 1 ESAEG. Each deposit protection scheme must establish a deposit protection fund consisting of available financial resources in the amount of at least 0.8% of the total covered deposits of the member banks (target level). The contribution requirement is based on the amount of covered deposits, applying predefined risk factors (risk-based contribution calculation). As in the previous year, there was no contribution for Hypo Vorarlberg in 2025. In accordance with section 22 (1) ESAEG, ESA must also stipulate and promptly collect special contributions from its member banks equivalent to a maximum of 0.5% of the total covered deposits of its member banks each calendar year if the available financial resources of a deposit protection scheme are not sufficient to compensate depositors in the event of default or to service obligations from credit operations.

In the event of default by a member bank, the deposit protection scheme secures balances in accounts and savings accounts up to TEUR 100 per customer per bank. In certain cases, the secured amount increases to up to TEUR 500 per customer per bank. In both cases, there is no deductible for investors. The deposit protection scheme also covers securities deposited by customers in the amount of up to TEUR 20 per customer per bank in the event of default. Customers that are not natural persons must pay a deductible of 10%.

(33) INTEREST-FREE LOANS AND ADVANCES

TEUR	31.12.2025	31.12.2024
Interest-free loans and advances to banks	5,324	0
Interest-free loans and advances to custom-	97,765	62,357
Interest-free loans and advances	103,089	62,357

Interest-free loans and advances to banks essentially consist of non-interest-bearing balances at clearing houses and receivables from payment transactions. Loans and advances to customers are classified as interest-free if interest payments can no longer be expected to be collected in future periods. Sufficient valuation allowances have already been recognised for these loans and advances.

(34) COLLATERAL

Assets provided as collateral

TEUR	31.12.2025	31.12.2024
Financial assets at fair value (non-SPPI)	218,593	214,675
Financial assets at fair value (option)	117,395	175,825
Financial assets at amortised cost	9,462,077	8,885,112
Assets provided as collateral	9,798,065	9,275,612
of which cover pool for mortgage bonds	5,990,973	5,565,320
of which cover pool for public-sector mortgage bonds	593,422	587,461

Assignment of collateral

TEUR	31.12.2025	31.12.2024
Collateral for refinancing with central banks	1,023,630	1,058,544
Cover pool for mortgage bonds	6,398,544	6,066,020
Cover pool for public-sector mortgage bonds	601,584	587,256
Cover pool for trust savings deposits	24,797	30,000
Cover for pension provisions	4,802	2,038
Repurchase agreements, repos	1,561,102	1,374,242
Deposits, collateral, margins	173,492	157,512
Securities lending	10,114	0
Assets provided as collateral	9,798,065	9,275,612

Utilisation of collateral

TEUR	31.12.2025	31.12.2024
Collateral for refinancing with central banks	18,804	16,380
Cover pool for mortgage bonds	4,367,724	4,503,694
Cover pool for public-sector mortgage bonds	168,228	165,789
Cover pool for trust savings deposits	20,203	20,067
Cover for pension provisions	4,802	2,038
Deposits, collateral, margins	173,493	157,512
Securities lending	10,114	0
Collateral utilised	4,763,368	4,865,480

The excess cover for mortgage bonds and public-sector mortgage bonds is not reported due to legal changes in the Austrian Mortgage Bond Act.

In the case of the collateral shown, the collateral taker does not have the right to sell or pledge the collateral itself. Accordingly, there were no reclassifications in the balance sheet for the collateral provided.

As a collateral taker, the Bank does not hold any collateral that it is permitted to sell unless the owner defaults or that it is permitted to reuse as collateral without the owner's approval.

The cover pool for mortgage bonds includes loan receivables of the St. Gallen branch in the amount of TEUR 1,114,055 (2024: TEUR 1,045,217). To ensure the equal legal and economic position of the mortgage bond creditors in relation to these cover assets, the loan receivables including their mortgage collateral have been assigned to HVS Sicherheitenverwaltung GmbH, Switzerland, as the collateral trustee for the mortgage bond creditors by way of a transfer of title. In addition, Hypo Vorarlberg holds mortgages with a nominal value of TEUR 182,598 (2024: TEUR 132,882) in connection with syndicated financing for other banks on a fiduciary basis.

(35) SUBORDINATED ASSETS

TEUR	31.12.2025	31.12.2024
Financial assets at fair value (non-SPPI)	42,361	45,521
Financial assets at amortised cost	16,186	18,846
Subordinated assets	58,547	64,367
of which debt securities	45,515	61,213
of which loans and advances	13,032	3,154

(36) FIDUCIARY TRANSACTIONS

TEUR	31.12.2025	31.12.2024
Loans and advances to customers	63,756	71,187
Fiduciary assets	63,756	71,187
Liabilities to banks	50,054	58,005
Liabilities to customers	13,811	13,181
Fiduciary liabilities	63,865	71,186

(37) RELATED PARTY DISCLOSURES

Related parties include:

- the owners of Hypo Vorarlberg, i.e. Vorarlberger Landesbank-Holding and Austria Beteiligungsgesellschaft mbH and their owners
- the Managing Board and Supervisory Board of Hypo Vorarlberg and their close family members
- managing directors of the consolidated subsidiaries and their close family members
- senior executives of Hypo Vorarlberg as defined in section 80 of the Austrian Stock Corporation Act (AktG) and their close family members
- senior executives of the subsidiaries of Hypo Vorarlberg and their close family members
- legal representatives and members of supervisory bodies of the subsidiaries
- subsidiaries and other companies in which Hypo Vorarlberg holds an equity interest
- companies over which related parties have a significant influence

Advances, loans and guarantees

As at the end of the year, the Managing Board members and managing directors and their close family members had received advances, loans and guarantees from the Bank amounting to TEUR 1,504 (2024: TEUR 886) at the usual terms and conditions applicable to Bank employees. As at the end of the year, the Supervisory Board members and their close family members had received advances, loans and guarantees from the Bank amounting to TEUR 14,885 (2024: TEUR 18,324) for themselves and for companies for which they are personally liable, at the customary banking terms and conditions applicable to Bank employees.

Remuneration

The remuneration of the Managing Board members consists of a fixed amount. There are no variable remuneration components. Variable remuneration set by the Managing Board on the basis of individual targets has been agreed in some cases for managing directors and senior executives in the Group. There are no share-based payment schemes.

Hypo Vorarlberg's expenditure on remuneration for Managing Board members currently in office was as follows:

TEUR	2025	2024
Michel Haller	438	422
Wilfried Amann	129	363
Philipp Hämmerle	354	329
Stephan Sausgruber	257	0
Managing Board remuneration	**1,178**	**1,114**

TEUR	2025	2024
Managing Board members and managing	2,122	2,040
Retired Managing Board members and surviving dependants	86	86
Senior executives	6,413	6,130
Supervisory Board members	462	390
Remuneration paid to related parties	**9,083**	**8,646**

Severance and pensions

The expenses for severance and pensions in respect of related parties comprise the amounts shown in the table below.

TEUR	2025	2024
Managing Board members and managing	146	149
Retired Managing Board members and surviving dependants	42	99
Senior executives	818	1,098
Severance and pensions paid to related parties	**1,006**	**1,346**

The Group purchased services of TEUR 71 (2024: TEUR 42) from companies in which related parties of the Group have significant holdings

Business relationships with affiliated companies

TEUR	31.12.2025	31.12.2024
Loans and advances	286	262
Financial assets	**286**	**262**
Deposits	238	263
Financial liabilities	**238**	**263**

Other than the holdings in affiliated and unconsolidated companies, business relationships with affiliated companies only involve business accounts. The deposits currently bear interest of 0% (2024: 0%).

Income and expenses with affiliated companies

As in the previous year, income and expenses with affiliated companies amounted to less than TEUR 1 in the reporting year.

Business relationships with companies measured at equity

TEUR	31.12.2025	31.12.2024
Equity instruments	12	12
Financial assets	**12**	**12**
Deposits	2,903	1,510
Financial liabilities	**2,903**	**1,510**

In addition to equity instruments, transactions with these companies include loans and advances, cash advances, business accounts, savings deposits and fixed-term deposits. These transactions are entered into at arm's-length conditions. As in the previous year, no liability had been assumed for companies measured at equity as at the end of the reporting period. As in the previous year, no derivatives transactions were entered into with companies measured at equity in 2025.

Income and expenses with companies measured at equity

TEUR	2025	2024
Interest expenses	-35	-45
Dividend income	548	489
Fee and commission income	1	1
Total income/expenses with companies measured at equity	**514**	**445**

Business relationships with shareholders

TEUR	31.12.2025	31.12.2024
Debt securities	13,890	15,159
Loans and advances	177,082	156,279
Financial assets	**190,972**	**171,438**
Deposits	33,928	33,119
Financial liabilities	**33,928**	**33,119**
Nominal amount of off-balance-sheet items	104,599	115,476
Nominal amount of derivatives	716,054	1,076,725

The term "shareholders" includes the two holding companies with their direct equity interests in Hypo Vorarlberg as well as the indirect shareholders, namely the state of Vorarlberg, Landesbank Baden-Württemberg and Landeskreditbank Baden-Württemberg Förderbank. Transactions with shareholders with a significant influence mainly include loans and advances, cash advances, business accounts, savings deposits and fixed-term deposits. In addition, Hypo Vorarlberg has entered into derivatives with a total market value of TEUR 15,668 (2024: TEUR 6,169) with Landesbank Baden-Württemberg to hedge market price and interest rate risks. The positive market values from derivatives are partially hedged in the context of cash collateral. There is generally no collateral for the remaining receivables. All of these transactions were entered into at arm's-length conditions.

Income and expenses with shareholders

TEUR	2025	2024
Interest income	16,311	29,588
Interest expenses	-14,934	-32,921
Fee and commission income	2,419	2,360
Fee and commission expenses	-57	0
Total income/expenses with shareholders	**3,739**	**-973**

Shareholders of Hypo Vorarlberg

Shareholders 31.12.2025	Total shares	Voting rights
Vorarlberger Landesbank-Holding	76.8732%	76.8732%
Austria Beteiligungsgesellschaft mbH	23.1268%	23.1268%
- Landesbank Baden-Württemberg	15.4179%	
- Landeskreditbank Baden-Württemberg Förderbank	7.7089%	
Share capital	**100.0000%**	**100.0000%**

On the basis of its expertise as a residential construction bank, Hypo Vorarlberg has been commissioned by the state of Vorarlberg to manage the state residential construction fund. The Group does not have any permanent business relationship with Austria Beteiligungsgesellschaft mbH. Several customary banking transactions were executed with Landesbank Baden-Württemberg.

Business relationships with government-related companies

TEUR	31.12.2025	31.12.2024
Loans and advances	114,584	71,755
Financial assets	**114,584**	**71,755**
Deposits	174,475	179,017
Financial liabilities	**174,475**	**179,017**
Nominal amount of off-balance-sheet items	52,158	35,033

Transactions with government-related companies include loans and advances as well as business accounts and fixed-term deposits. The transactions were entered into at arm's-length conditions.

Income and expenses with government-related companies

TEUR	2025	2024
Interest income	1,331	1,885
Interest expenses	-2,261	-4,373
Fee and commission income	332	331
Total income/expenses with government-related companies	**-598**	**-2,157**

There were no bad debts with related parties in the 2025 financial year or in the prior-year period. Apart from the general loan loss provisions, no provisions or impairment losses/write-downs of receivables from related parties were required to be recognised.

(38) SHARE-BASED PAYMENT AGREEMENTS

As at 31 December 2025, there were no share-based payment agreements in the Group

(39) HUMAN RESOURCES

	2025	2024
Full-time salaried employees	613	597
Part-time salaried employees	168	156
Apprentices	6	6
Cleaning staff/hourly-paid workers	2	2
Average number of employees for the year	**789**	**761**

(40) EVENTS AFTER THE END OF THE REPORTING PERIOD

In late February 2026, the United States and Israel took out the top leadership of the Islamic Republic of Iran in a focused operation. In the meantime, the conflict has escalated and other Gulf states have now been affected. The trigger was the negotiations on Iran's rocket and nuclear program, which were facilitated by Oman. There has since been a conflagration of the conflict encompassing the United Arab Emirates, Saudi Arabia and Lebanon. Iran closed the Strait of Hormuz in response to the conflict. Oil and gas tankers have been stranded in the region since early March 2026 as it is no longer possible to pass through the Strait of Hormuz. Oil and gas prices rose by as much as 25% in the space of a week, thereby impacting the economy and private households. It is not currently possible to predict the outcome.

We do not currently anticipate a protracted war. Short-term fluctuations in energy prices should not have any perceptible impact on the Bank's risk costs. The consequences of the war lasting for longer than anticipated are hard to forecast. However, they would likely involve increased uncertainty and higher risk costs.

E. SEGMENT REPORTING

Reporting by business segment

TEUR		Corporate Customers	Private Customers	Financial Markets	Corporate Centre	Total
Net interest income	2025	99,544	68,804	13,663	27,144	209,155
	2024	104,361	81,178	20,218	27,936	233,693
Dividend income	2025	0	0	0	273	273
	2024	0	0	0	381	381
Net fee and commission income	2025	14,692	25,246	1,994	-2,098	39,834
	2024	14,878	24,620	2,140	-2,688	38,950
Net result from financial instruments at amortised cost	2025	0	0	224	0	224
	2024	0	0	95	-1	94
Net result from financial instruments at fair value	2025	-7,335	-1,919	34,070	-39,804	-14,988
	2024	-13,244	224	2,800	7,612	-2,608
Other income	2025	7,295	209	11	20,595	28,110
	2024	522	627	32	18,352	19,533
Other expenses	2025	-4,610	-1,777	-4,865	-15,579	-26,831
	2024	-4,574	-3,671	-6,519	-10,322	-25,086
Administrative expenses	2025	-52,980	-58,049	-15,227	-11,894	-138,150
	2024	-51,272	-56,459	-14,480	-10,353	-132,564
Depreciation and amortisation	2025	-1,008	-754	-33	-6,174	-7,969
	2024	-1,100	-945	-46	-6,093	-8,184
Loan loss provisions and impairment of financial assets	2025	-18,567	513	16	-254	-18,292
	2024	-67,387	1,275	51	-148	-66,209
Impairment of non-financial assets	2025	0	0	0	-1,599	-1,599
	2024	0	0	0	-666	-666
Net result from equity consolidation	2025	0	0	0	749	749
	2024	0	0	0	724	724
Earnings before taxes	2025	37,031	32,273	29,853	-28,641	70,516
	2024	-17,816	46,849	4,291	24,734	58,058
Assets	2025	7,993,545	2,220,158	3,908,403	1,258,308	15,380,414
	2024	8,002,523	2,246,463	3,739,838	1,261,501	15,250,325
Liabilities and shareholders' equity	2025	1,994,780	2,914,373	8,321,632	2,149,629	15,380,414
	2024	1,893,776	2,756,407	8,500,202	2,099,940	15,250,325
Liabilities	2025	1,994,427	2,908,803	8,468,259	473,504	13,844,993
	2024	1,893,364	2,750,942	8,644,754	464,408	13,753,468

For the purpose of corporate management, the Group is organised into business units according to customer groups and product groups. It has the following four reportable operating segments. No business segments have been aggregated to form these reportable operating segments. The earnings before taxes of the business units is monitored separately by management in order to make decisions on the allocation of resources and to determine the profitability of the units. The performance of the segments is evaluated on the basis of earnings before taxes and measured in line with the earnings before taxes in the consolidated financial statements.

These segments form the basis for internal reporting in accordance with both the Austrian Commercial Code (UGB) and IFRS. For this reason, no separate reconciliation statement is required. The liabilities presented in the segments include liabilities, provisions, social capital and subordinated capital. The calculation of revenue per product and service and for groups of comparable products and services has been dispensed with due to the excessively high implementation costs that would be required to calculate the data.

In an agenda decision (IASB Update July 2024), the IASB clarified that an entity must disclose all of the amounts required by IFRS 8.23 (a)-(i) (if material) even if these are not presented separately to the decision maker. Interest income and interest expenses are among the items listed in IFRS 8.23 (a)-(i). However, IFRS 8.23 also expressly provides an exception permitting entities to report interest income net of interest expense if the entity generates the majority of its revenues from interest and the chief operating decision maker relies primarily on net interest income in making decisions. As this exception applies to Hypo Vorarlberg, net interest income is – as previously – not reported separately as interest income and interest expense.

Net interest income is calculated for each segment using the internationally recognised Schierenbeck market interest rate method. This involves comparing the effective interest rate with a reference interest rate, irrespective of whether it relates to a receivable or a liability. The contribution margin calculated on this basis is credited to the individual segments. The structural contribution calculated on the basis of the maturity transformation is allocated to the Financial Markets segment. For this reason, it is not possible to report interest income and interest expenses separately. The internal management of the segments is also based on the net interest income calculated in this manner and not on the external interest rate. As the income and expenses for each segment are calculated directly, there are no transactions between the segments and no offsetting takes place. In the Corporate Centre segment, an amount of TEUR 4,226 (2024: TEUR 4,025) was included in assets from consolidation using the equity method.

Corporate Customers
The Corporate Customers segment comprises customers that are active in the commercial, industrial and trade sectors. The segment covers large customers and small and medium-sized enterprises alike. In addition, income and expenses arising in connection with business relationships with public institutions (federal, state and local governments) are reported in this segment. Customers of the St. Gallen branch are also assigned to this segment irrespective of their customer type or sector. However, self-employed persons whose businesses do not exceed the size of a sole proprietorship are not included. In terms of product groups, this segment includes loans and advances, cash advances, current accounts, demand deposits, term deposits and savings deposits in respect of the above customer groups. Net fee and commission income also includes income from custodian business with these customer groups.

Private Customers
This segment encompasses all salaried employees (private households) and some self-employed persons (freelancers). It does not include the private households and freelancers served by the St. Gallen branch, as these are all included in the Corporate Customers segment. In addition, earnings contributions from insurance companies and pension funds are counted towards this segment. This segment does not include private individuals closely associated with a business (corporate customer) as an owner or shareholder. In terms of product groups, this segment includes loans and advances, cash advances, current accounts, demand deposits, term deposits and savings deposits in respect of the above customer groups. Net fee and commission income also includes income from custodian business with these customer groups.

Financial Markets
This segment includes financial assets, trading assets, derivative financial instruments, issuing business and gains and losses from interbank relationships. The net result from the custodian bank function is also allocated to this segment. In terms of product groups, this segment primarily includes financial assets in the form of securities, as well as some individual promissory note loans. Funds raised from issues of securities and some individual large-volume term deposits are also allocated to the Financial Markets segment. Net fee and commission income also includes income from custodian business in connection with the custodian bank function.

Corporate Centre
All banking transactions with subsidiaries and associates are reported in this segment. Income from activities that do not constitute banking business is also allocated to this segment, such as leasing business, insurance brokerage, leasing and utilisation of real estate, real estate brokerage, facility management services, other services and income from subsidiaries and holdings.

Recognition and reversal of impairment losses

TEUR		Corporate Customers	Private Customers	Financial Markets	Corporate Centre	Total
Recognition of impairment losses	2025	-33,813	-1,905	-130	-5,795	-41,643
	2024	-60,777	-2,811	-125	-9,936	-73,649
Reversals of impairment losses	2025	28,530	2,787	152	3,550	35,019
	2024	18,079	3,935	176	9,928	32,118

Reporting by region

TEUR		Austria	Third countries	Total
Net interest income	2025	170,491	38,664	209,155
	2024	181,252	52,441	233,693
Dividend income	2025	273	0	273
	2024	381	0	381
Net fee and commission income	2025	38,603	1,231	39,834
	2024	37,948	1,002	38,950
Net result from financial instruments at amortised cost	2025	227	-3	224
	2024	94	0	94
Net result from financial instruments at fair value	2025	-18,051	3,063	-14,988
	2024	-5,414	2,806	-2,608
Other income	2025	20,311	7,799	28,110
	2024	13,397	6,136	19,533
Other expenses	2025	-22,128	-4,703	-26,831
	2024	-20,533	-4,553	-25,086
Administrative expenses	2025	-120,860	-17,290	-138,150
	2024	-115,896	-16,668	-132,564
Depreciation and amortisation	2025	-6,388	-1,581	-7,969
	2024	-6,580	-1,604	-8,184
Loan loss provisions and impairment of financial assets	2025	-17,670	-622	-18,292
	2024	-65,385	-824	-66,209
Impairment of non-financial assets	2025	-1,000	-599	-1,599
	2024	0	-666	-666
Net result from equity consolidation	2025	749	0	749
	2024	724	0	724
Earnings before taxes	2025	44,557	25,959	70,516
	2024	19,988	38,070	58,058
Assets	2025	13,114,150	2,266,264	15,380,414
	2024	13,008,828	2,241,497	15,250,325
Liabilities and shareholders' equity	2025	14,882,045	498,369	15,380,414
	2024	14,786,539	463,786	15,250,325
Liabilities	2025	13,514,247	330,746	13,844,993
	2024	13,452,863	300,605	13,753,468

Switzerland, Italy and other foreign countries are classified as third countries.

F. SPECIAL DISCLOSURES ON FINANCIAL INSTRUMENTS

(41) EARNINGS BY MEASUREMENT CATEGORY

Result from financial assets

TEUR 2024	TA	NON-SPPI	FVO	AC	Total
Interest income	138,023	40,210	14,502	474,199	666,934
Net interest income	138,023	40,210	14,502	474,199	666,934
Dividend income	0	381	0	0	381
Addition to valuation allowances	0	0	0	-66,984	-66,984
Reversal of valuation allowances	0	0	0	26,114	26,114
Reversals of write-downs	0	15,068	5,355	92,061	112,484
Depreciation and amortisation	-98,188	-16,418	-1,525	0	-116,131
Realised gains	18	2,903	27	10	2,958
Realised losses	-7	-262	-869	0	-1,138
Comprehensive income	39,846	41,882	17,490	525,400	624,618

TEUR 2025	TA	NON-SPPI	FVO	AC	Total
Interest income	87,469	26,599	8,839	395,717	518,624
Interest expenses	0	0	0	-4	-4
Net interest income	87,469	26,599	8,839	395,713	518,620
Dividend income	0	273	0	0	273
Addition to valuation allowances	0	0	0	-40,043	-40,043
Reversal of valuation allowances	0	0	0	35,015	35,015
Reversals of write-downs	86,183	9,492	3,053	605	99,333
Depreciation and amortisation	0	-68,716	-18,184	-84,671	-171,571
Realised gains	5	2,255	13,078	553	15,891
Realised losses	-8	-814	-4	-423	-1,249
Comprehensive income	173,649	-30,911	6,782	306,749	456,269

Result from financial liabilities

TEUR 2024	TL	FLFVO	FLAC	Total
Interest expenses	-147,371	-39,382	-246,488	-433,241
Net interest income	-147,371	-39,382	-246,488	-433,241
Reversals of write-downs	177,340	2,090	20	179,450
Depreciation and amortisation	0	-12,584	-167,600	-180,184
Realised gains	0	50	206	256
Realised losses	0	-67	-142	-209
Comprehensive income	29,969	-49,893	-414,004	-433,928
Measurement through other comprehensive in-	0	-6,089	0	-6,089

TEUR 2025	TL	FLFVO	FLAC	Total
Interest income	0	0	7	7
Interest expenses	-67,704	-26,262	-215,506	-309,472
Net interest income	-67,704	-26,262	-215,499	-309,465
Reversals of write-downs	0	20,539	27,370	47,909
Depreciation and amortisation	-2,068	-2,405	0	-4,473
Realised gains	0	74	1,106	1,180
Realised losses	0	-48	-1,735	-1,783
Comprehensive income	-69,772	-8,102	-188,758	-266,632
Measurement through other comprehensive in-	0	-7,092	0	-7,092

(42) FAIR VALUE DISCLOSURES

TEUR	Notes	31.12.2025 Fair value	31.12.2025 Carrying amount	31.12.2024 Fair value	31.12.2024 Carrying amount
Trading assets	(16)	106,635	106,635	104,076	104,076
Financial assets at fair value (non-SPPI)	(17)	467,091	467,091	584,583	584,583
Financial assets at fair value (option)	(18)	127,795	127,795	199,208	199,208
Financial assets at amortised cost	(19)	13,780,481	13,677,995	13,394,661	13,294,829
Positive market values of hedges	(20)	367,487	367,487	345,693	345,693
Holdings		746	746	746	746
Assets					
Trading liabilities	(22)	57,197	57,197	54,440	54,440
Financial liabilities at fair value (option)	(23)	813,043	813,043	782,761	782,761
Financial liabilities at amortised cost	(24)	12,584,294	12,634,112	12,436,388	12,543,471
Negative market values of hedges	(20)	224,053	224,053	269,952	269,952
Liabilities					

In the case of financial assets at amortised cost, the fair value of fixed-interest transactions – provided they are loans and advances – was determined on the basis of the expected future cash flows taking current market interest rates into account. In the case of bonds, the fair value was determined on the basis of available market prices and quotes. If no reliable market price was available for an asset at the reporting date, the fair value was determined on the basis of market prices of similar financial instruments with comparable yields, credit risks and maturities.

For financial liabilities at amortised cost, the repayment amount recognised for deposits without an agreed maturity and with variable interest rates largely also corresponds to the current market value. The fair value of fixed-interest positions was determined on the basis discounted cash flows. The fair value of bonds was recognised on the basis of available market prices and quotes. If no market prices were available for this category, the fair value was measured on the basis of discounted future cash flows taking current market interest rates and credit spreads into account.

To the extent available, the fair values reported in the financial statements were determined exclusively using valuation techniques based on prices of similar instruments in observable market transactions.

Fair value hierarchy for financial instruments not recognised at fair value (at amortised cost)

TEUR 31.12.2024	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost	2,462,215	2,637	10,929,809	13,394,661
Financial liabilities at amortised cost	5,869,070	112,823	6,454,495	12,436,388

TEUR 31.12.2025	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost	2,728,601	0	11,051,880	13,780,481
Financial liabilities at amortised cost	5,810,740	115,464	6,658,090	12,584,294

The valuation techniques used for financial instruments not recognised at fair value are generally no different from those used for financial instruments recognised at fair value. The valuation techniques used are described in more detail in notes (19) and (24). This note also includes a discussion of changes and improvements to the valuation techniques.

Fair value hierarchy for financial instruments measured at fair value

TEUR 31.12.2024	Level 1	Level 2	Level 3	Total
Trading assets	148	71,378	32,550	104,076
Financial assets at fair value (non-SPPI)	45,521	69,943	469,119	584,583
Financial assets at fair value (option)	30,962	28,107	140,139	199,208
Positive market values of hedges	0	122,594	223,099	345,693
Holdings	0	0	746	746
Assets measured at fair value	76,631	292,022	865,653	1,234,306
Reclassification of assets from Level 2 and 3 to Level 1	11,194	-11,194	0	0
Reclassification of assets from Level 1 and 3 to Level 2	0	0	0	0
Trading liabilities	0	38,957	15,483	54,440
Financial liabilities at fair value (option)	0	480,798	301,963	782,761
Negative market values of hedges	0	176,962	92,990	269,952
Liabilities measured at fair value	0	696,717	410,436	1,107,153
Reclassification of liabilities from Level 2 and 3 to Level 1	0	0	0	0
Reclassification of liabilities from Level 1 and 3 to Level 2	0	3,071	-3,071	0

TEUR 31.12.2025	Level 1	Level 2	Level 3	Total
Trading assets	3	78,924	27,708	106,635
Financial assets at fair value (non-SPPI)	42,919	36,151	388,021	467,091
Financial assets at fair value (option)	18,155	0	109,640	127,795
Positive market values of hedges	0	131,251	236,236	367,487
Holdings	0	0	746	746
Assets measured at fair value	61,077	246,326	762,351	1,069,754
Reclassification of assets from Level 2 and 3 to Level 1	0	0	0	0
Reclassification of assets from Level 1 and 3 to Level 2	-144	144	0	0
Trading liabilities	0	41,564	15,633	57,197
Financial liabilities at fair value (option)	0	533,850	279,193	813,043
Negative market values of hedges	0	136,412	87,641	224,053
Liabilities measured at fair value	0	711,826	382,467	1,094,293
Reclassification of liabilities from Level 2 and 3 to Level 1	0	0	0	0
Reclassification of liabilities from Level 1 and 3 to Level 2	0	2,008	-2,008	0

In the case of financial assets and liabilities recognised in the financial statements on a recurring basis, the Group determines whether transfers have taken place between hierarchy levels by examining their classification – based on the input parameter of the lowest level that is material for fair value measurement – at the end of each reporting period. In doing so, the Group uses a decision tree defined in the internal measurement guidelines.

The Group has a valuation committee for financial instruments. This committee specifies guidelines and procedures for recurring and non-recurring fair value measurements. The members of the valuation committee for financial instruments include the Head of Asset & Liability Management, the Head of Group Risk Controlling, the Head of Debt Capital Markets and a financial mathematician. Once a year, the valuation committee examines the performance of financial instruments that are to be measured in accordance with the Group's accounting policies. It reviews the key input factors that were applied to the last measurement by comparing the results of the measurement calculations with external sources in order to assess whether the internal input parameters are plausible or whether changes need to be made. The valuation committee resolves to adjust the internal input parameters if this is more consistent with the aim of measuring financial instruments as objectively as possible.

The reclassifications to Level 1 and Level 2 described in the tables and text below are shown in the previous tables, while reclassifications to Level 3 are shown in the table of changes in financial instruments in Level 3.

Reclassification of assets
In the reporting year and in the previous year, there were no reclassifications of assets from Level 1 to Level 3, from Level 2 to Level 3, from Level 3 to Level 1, or from Level 3 to Level 2.

From Level 1 to Level 2

TEUR	31.12.2025 Number	31.12.2025 Carrying amount	31.12.2025 Carrying amount in	31.12.2024 Number	31.12.2024 Carrying amount	31.12.2024 Carrying amount in
From Level 1 to Level 2	2	144	147	0	0	0
Trading assets	2	144	147	0	0	0

No current price was available for two funds in the TA category at the reporting date.

From Level 2 to Level 1

TEUR	31.12.2025 Number	31.12.2025 Carrying amount	31.12.2025 Carrying amount in	31.12.2024 Number	31.12.2024 Carrying amount	31.12.2024 Carrying amount in
From Level 2 to Level 1	0	0	0	1	11,194	11,495
Financial assets at fair value (option)	0	0	0	1	11,194	11,495

In the previous year, an OTC secondary market source from Bloomberg was applied for one financial instrument in the FVO category.

Reclassification of liabilities
In the reporting year and in the previous year, there were no reclassifications of liabilities from Level 1 to Level 2, from Level 1 to Level 3, from Level 2 to Level 1, from Level 2 to Level 3, or from Level 3 to Level 1.

From Level 3 to Level 2

TEUR	31.12.2025 Number	31.12.2025 Carrying amount	31.12.2025 Carrying amount in	31.12.2024 Number	31.12.2024 Carrying amount	31.12.2024 Carrying amount in
From Level 3 to Level 2	1	2,008	1,404	1	3,071	2,915
Financial liabilities at fair value (option)	0	0	0	1	3,071	2,915
Negative market values of hedges	1	2,008	1,404	0	0	0

In the reporting year, credit spreads observable on the market were used for one derivative in the negative market values of hedges category. In the previous year, internal valuation parameters were used for one financial instrument in the LFVO category.

Fair value hierarchy for financial assets and liabilities – breakdown by category

TEUR 31.12.2024	Level 1	Level 2	Level 3	Total
Derivatives	0	71,378	32,550	103,928
Equity instruments	148	0	0	148
Trading assets	148	71,378	32,550	104,076
Equity instruments	0	0	17,809	17,809
Debt securities	45,521	69,943	19,102	134,566
Loans and advances	0	0	432,208	432,208
Financial assets at fair value (non-SPPI)	45,521	69,943	469,119	584,583
Debt securities	30,962	28,107	0	59,069
Loans and advances	0	0	140,139	140,139
Financial assets at fair value (option)	30,962	28,107	140,139	199,208
Positive market values of hedges	0	122,594	223,099	345,693
Holdings	0	0	746	746
ASSETS	76,631	292,022	865,653	1,234,306
Derivatives	0	38,957	15,483	54,440
Trading liabilities	0	38,957	15,483	54,440
Deposits	0	0	112,279	112,279
Debt securities issued	0	480,798	189,684	670,482
Financial liabilities at fair value (option)	0	480,798	301,963	782,761
Negative market values of hedges	0	176,962	92,990	269,952
LIABILITIES	0	696,717	410,436	1,107,153

TEUR 31.12.2025	Level 1	Level 2	Level 3	Total
Derivatives	0	78,780	27,708	106,488
Equity instruments	3	144	0	147
Trading assets	3	78,924	27,708	106,635
Equity instruments	0	0	15,995	15,995
Debt securities	42,919	36,151	20,565	99,635
Loans and advances	0	0	351,461	351,461
Financial assets at fair value (non-SPPI)	42,919	36,151	388,021	467,091
Debt securities	18,155	0	0	18,155
Loans and advances	0	0	109,640	109,640
Financial assets at fair value (option)	18,155	0	109,640	127,795
Positive market values of hedges	0	131,251	236,236	367,487
Holdings	0	0	746	746
ASSETS	61,077	246,326	762,351	1,069,754
Derivatives	0	41,564	15,633	57,197
Trading liabilities	0	41,564	15,633	57,197
Deposits	0	0	107,768	107,768
Debt securities issued	0	533,850	171,425	705,275
Financial liabilities at fair value (option)	0	533,850	279,193	813,043
Negative market values of hedges	0	136,412	87,641	224,053
LIABILITIES	0	711,826	382,467	1,094,293

Changes in Level 3 financial instruments

TEUR 2024	Opening balance	Pur-chases/is-sues	Sales/re-demptions	Additions from Level 1 and Level 2	Disposals to Level 1 and Level 2	Changes in fair value	Closing bal-ance
Trading assets	33,555	0	0	0	0	-1,005	32,550
Financial assets at fair value (non-SPPI)	466,536	33,962	-41,478	0	0	10,099	469,119
Financial assets at fair value (option)	157,288	0	0	0	0	-17,149	140,139
Positive market values of hedges	269,217	0	0	0	0	-46,118	223,099
Holdings	968	0	0	0	0	-222	746
Assets measured at fair value in Level 3	**927,564**	**33,962**	**-41,478**	**0**	**0**	**-54,395**	**865,653**
Trading liabilities	25,687	0	0	0	0	-10,204	15,483
Financial liabilities at fair value (option)	406,469	8,287	-122,513	0	-3,071	12,791	301,963
Negative market values of hedges	124,118	0	0	0	0	-31,128	92,990
Liabilities measured at fair value in Level 3	**556,274**	**8,287**	**-122,513**	**0**	**-3,071**	**-28,541**	**410,436**

TEUR 2025	Opening balance	Pur-chases/is-sues	Sales/re-demptions	Additions from Level 1 and Level 2	Disposals to Level 1 and Level 2	Changes in fair value	Closing bal-ance
Trading assets	32,550	0	0	0	0	-4,842	27,708
Financial assets at fair value (non-SPPI)	469,119	10,438	-53,290	0	0	-38,246	388,021
Financial assets at fair value (option)	140,139	0	0	0	0	-30,499	109,640
Positive market values of hedges	223,099	0	0	0	0	13,137	236,236
Holdings	746	0	0	0	0	0	746
Assets measured at fair value in Level 3	**865,653**	**10,438**	**-53,290**	**0**	**0**	**-60,450**	**762,351**
Trading liabilities	15,483	0	0	0	0	150	15,633
Financial liabilities at fair value (option)	301,963	1,336	-20,676	0	0	-3,430	279,193
Negative market values of hedges	92,990	0	0	0	-2,008	-3,341	87,641
Liabilities measured at fair value in Level 3	**410,436**	**1,336**	**-20,676**	**0**	**-2,008**	**-6,621**	**382,467**

The changes in fair value shown relate only to financial instruments that were still allocated to Level 3 at the end of the reporting period. The changes in fair value shown in the tables above represent gains/losses of financial instruments that were allocated to Level 3 at the end of the year. The fair value changes are recognised in the net result from financial instruments at fair value (8).

The changes in fair value in the financial liabilities at fair value (option) category (23) amount to TEUR -3,430 (2024: TEUR 12,791), of which TEUR 7,751 (2024: TEUR -11,341) is recognised in the net result from financial instruments at fair value (8) and TEUR -4,321 (2024: TEUR -1,450) in other comprehensive income (28) under measurement of own credit risks for liabilities at fair value.

Disclosures regarding sensitivity of internal input factors

TEUR	Positive fair value changes with alternative measurement parameters		Negative fair value changes with alternative measurement parameters	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Derivatives	20	59	-31	-86
Financial assets at fair value (non-SPPI)	161	1,098	-190	-1,524
of which securities	48	115	-22	-112
of which loans and advances	113	983	-168	-1,412
Financial assets at fair value (option)	2	4	-4	-6
of which loans and advances	2	4	-4	-6
Financial liabilities at fair value (option)	-1,923	-2,127	1,923	2,127
of which debt securities issued	-925	-1,080	925	1,080
of which deposits	-998	-1,047	998	1,047
Total	-1,740	-966	1,698	511

The relevant internal input factor for the financial assets is determined by calculating the credit risk, expressed as a credit spread. If CDS spreads are available for a counterparty, the credit risk is measured on the basis of these available input factors. If no CDS spread is observable, the credit risk is measured on the basis of the internally determined probability of default in conjunction with the internal rating. In the case of the sensitivity shown above, the internal ratings were shifted in parallel by one notch in each case.

The relevant internal input factor for the financial liabilities results from determining the current issue level of private placements compared with public placements.

In the case of the sensitivity shown above, the credit spreads applied were shifted in parallel by ten basis points in each case.

(43) DISCLOSURES ON OFFSETTING FINANCIAL INSTRUMENTS

TEUR 31.12.2024	Financial instruments (gross)	Financial instruments (net)	Effect of offsetting master agreement	Collateral	Net amount
Positive market values of derivative financial instruments	449,621	449,621	-243,024	-181,449	25,148
Total assets	449,621	449,621	-243,024	-181,449	25,148
Negative market values of derivative financial instruments	324,392	324,392	-243,024	-74,630	6,738
Total liabilities	324,392	324,392	-243,024	-74,630	6,738

TEUR 31.12.2025	Financial instruments (gross)	Financial instruments (net)	Effect of offsetting master agreement	Collateral	Net amount
Positive market values of derivative financial instruments	473,975	473,975	-187,645	-234,524	51,806
Total assets	473,975	473,975	-187,645	-234,524	51,806
Negative market values of derivative financial instruments	281,250	281,250	-187,645	-87,993	5,612
Total liabilities	281,250	281,250	-187,645	-87,993	5,612

(44) IMPAIRMENT OF FINANCIAL INSTRUMENTS

Impairment losses and provisions by category and stage

TEUR 31.12.2024	Stage 1	Stage 2	Stage 3	POCI	Total
Loans and advances	16,835	27,130	87,180	5,057	136,202
Debt securities	299	687	997	0	1,983
Credit commitments, financial guarantees and other commitments	1,470	1,019	6,349	0	8,838
Impairment losses and provisions	18,604	28,836	94,526	5,057	147,023

TEUR 31.12.2025	Stage 1	Stage 2	Stage 3	POCI	Total
Loans and advances	16,183	27,309	68,759	729	112,980
Debt securities	271	709	997	0	1,977
Credit commitments, financial guarantees and other commitments	1,391	780	6,610	0	8,781
Impairment losses and provisions	17,845	28,798	76,366	729	123,738

Amount of maximum default risk for all financial instruments

TEUR 31.12.2024	Gross carrying amount	Commitments and guarantees	Maximum default risk
Debt securities at fair value (non-SPPI)	134,566	0	134,566
Debt securities at fair value (option)	59,069	0	59,069
Debt securities at amortised cost	2,494,272	0	2,494,272
Debt securities	2,687,907	0	2,687,907
Loans and advances – cash reserve	487,552	0	487,552
Loans and advances at fair value (non-SPPI)	432,208	448	432,656
Loans and advances at fair value (option)	140,139	0	140,139
Loans and advances at amortised cost	10,800,557	1,585,378	12,385,935
Loans and advances	11,860,456	1,585,826	13,446,282
Trading assets – derivatives	103,928	0	103,928
Positive market values of hedges	345,693	0	345,693
Derivatives	449,621	0	449,621
Equity instruments – trading assets	148	0	148
Equity instruments at fair value (non-SPPI)	17,809	0	17,809
Equity instruments	17,957	0	17,957
Sureties and guarantees	0	387,479	387,479
Overall exposure	15,015,941	1,973,305	16,989,246

TEUR 31.12.2025	Gross carrying amount	Commitments and guarantees	Maximum default risk
Debt securities at fair value (non-SPPI)	99,635	0	99,635
Debt securities at fair value (option)	18,155	0	18,155
Debt securities at amortised cost	2,726,910	0	2,726,910
Debt securities	**2,844,700**	**0**	**2,844,700**
Loans and advances – cash reserve	411,205	0	411,205
Loans and advances at fair value (non-SPPI)	351,461	285	351,746
Loans and advances at fair value (option)	109,640	0	109,640
Loans and advances at amortised cost	10,951,085	1,465,192	12,416,277
Loans and advances	**11,823,391**	**1,465,477**	**13,288,868**
Trading assets – derivatives	106,488	0	106,488
Positive market values of hedges	367,487	0	367,487
Derivatives	**473,975**	**0**	**473,975**
Equity instruments – trading assets	147	0	147
Equity instruments at fair value (non-SPPI)	15,995	0	15,995
Equity instruments	**16,142**	**0**	**16,142**
Sureties and guarantees	**0**	**552,701**	**552,701**
Overall exposure	**15,158,208**	**2,018,178**	**17,176,386**

Default risk of financial instruments subject to the provisions on impairment

TEUR 31.12.2024	Rating 1	Rating 2	Rating 3	Rating 4	Rating 5	Not rated	Total
Stage 1 – carrying amount	2,938,998	3,847,090	5,124,980	76,238	0	17,818	12,005,124
Stage 1 – off-balance-sheet transactions	145,267	626,577	1,009,012	2,939	0	0	1,783,795
Stage 1 – default risk	**3,084,265**	**4,473,667**	**6,133,992**	**79,177**	**0**	**17,818**	**13,788,919**
Stage 2 – carrying amount	71,974	80,646	877,340	431,451	0	12,301	1,473,712
Stage 2 – off-balance-sheet transactions	5,047	11,573	126,233	24,535	0	21,872	189,260
Stage 2 – default risk	**77,021**	**92,219**	**1,003,573**	**455,986**	**0**	**34,173**	**1,662,972**
Stage 3 – carrying amount	0	0	0	0	268,164	0	268,164
Stage 3 – off-balance-sheet transactions	0	0	0	0	31,080	0	31,080
Stage 3 – default risk	**0**	**0**	**0**	**0**	**299,244**	**0**	**299,244**
POCI – carrying amount	0	0	20,936	9,874	4,571	0	35,381
POCI – off-balance-sheet transactions	0	0	1	0	0	0	1
POCI – default risk	**0**	**0**	**20,937**	**9,874**	**4,571**	**0**	**35,382**
Total – carrying amount	**3,010,972**	**3,927,736**	**6,023,256**	**517,563**	**272,735**	**30,119**	**13,782,381**
Total – off-balance-sheet transactions	**150,314**	**638,150**	**1,135,246**	**27,474**	**31,080**	**21,872**	**2,004,136**
Total – default risk	**3,161,286**	**4,565,886**	**7,158,502**	**545,037**	**303,815**	**51,991**	**15,786,517**

TEUR 31.12.2025	Rating 1	Rating 2	Rating 3	Rating 4	Rating 5	Not rated	Total
Stage 1 – carrying amount	3,068,796	3,830,658	5,209,006	73,740	0	28,505	12,210,705
Stage 1 – off-balance-sheet transactions	150,225	610,483	927,206	8,102	0	458	1,696,474
Stage 1 – default risk	**3,219,021**	**4,441,141**	**6,136,212**	**81,842**	**0**	**28,963**	**13,907,179**
Stage 2 – carrying amount	45,686	61,406	1,089,241	347,625	0	28,009	1,571,967
Stage 2 – off-balance-sheet transactions	3,016	13,901	104,396	21,781	0	15,457	158,551
Stage 2 – default risk	**48,702**	**75,307**	**1,193,637**	**369,406**	**0**	**43,466**	**1,730,518**
Stage 3 – carrying amount	0	0	0	0	276,061	37	276,098
Stage 3 – off-balance-sheet transactions	0	0	0	0	23,797	5	23,802
Stage 3 – default risk	**0**	**0**	**0**	**0**	**299,858**	**42**	**299,900**
POCI – carrying amount	0	0	20,788	8,404	1,238	0	30,430
POCI – off-balance-sheet transactions	0	0	2	0	0	0	2
POCI – default risk	**0**	**0**	**20,790**	**8,404**	**1,238**	**0**	**30,432**
Total – carrying amount	**3,114,482**	**3,892,064**	**6,319,035**	**429,769**	**277,299**	**56,551**	**14,089,200**
Total – off-balance-sheet transactions	**153,241**	**624,384**	**1,031,604**	**29,883**	**23,797**	**15,920**	**1,878,829**
Total – default risk	**3,267,723**	**4,516,448**	**7,350,639**	**459,652**	**301,096**	**72,471**	**15,968,029**

Disclosures on the default risk of credit-impaired financial instruments

TEUR 31.12.2024	Gross carrying amount	Valuation allowances	Other collateral	Guarantees received
Debt securities	997	997	0	0
Loans and advances	365,318	91,664	175,390	6,944
Measured at amortised cost	**366,315**	**92,661**	**175,390**	**6,944**
Loans and advances	96,483	20,803	70,620	0
Measured at fair value	**96,483**	**20,803**	**70,620**	**0**

TEUR 31.12.2025	Gross carrying amount	Valuation allowances	Other collateral	Guarantees received
Debt securities	997	997	0	0
Loans and advances	345,179	69,075	199,919	6,011
Measured at amortised cost	**346,176**	**70,072**	**199,919**	**6,011**
Loans and advances	187,594	60,628	122,650	0
Measured at fair value	**187,594**	**60,628**	**122,650**	**0**

Financial receivables in the amount of TEUR 151,720 (2024: TEUR 110,605) that are still subject to enforcement measures were written off in the reporting period.

Changes in valuation allowances by item and category

TEUR 2024	Opening balance	Additions	Utilisation	Reversals	Unwinding	Stage transfer	Other changes	Closing balance
Valuation allowances in cash reserve – stage 1	3	0	0	-1	0	0	0	2
Valuation allowances in cash reserve	**3**	**0**	**0**	**-1**	**0**	**0**	**0**	**2**
Valuation allowances for debt securities AC – stage 1	302	46	0	-50	0	0	1	299
Valuation allowances for debt securities AC – stage 2	692	40	0	-45	0	0	0	687
Valuation allowances for debt securities AC – stage 3	997	0	0	0	0	0	0	997
Valuation allowances in debt securities AC	**1,991**	**86**	**0**	**-95**	**0**	**0**	**1**	**1,983**
Valuation allowances in loans and advances AC –	18,253	6,069	0	-5,528	0	-1,928	-33	16,833
Valuation allowances in loans and advances AC –	20,334	16,149	0	-7,722	0	-1,598	-33	27,130
Valuation allowances in loans and advances AC –	114,013	47,617	-63,933	-17,959	3,967	3,526	-51	87,180
Valuation allowances in loans and advances AC –	5,113	3,062	-2,373	-814	69	0	0	5,057
Valuation allowances in loans and advances AC	**157,713**	**72,897**	**-66,306**	**-32,023**	**4,036**	**0**	**-117**	**136,200**
Valuation allowances in debt securities and loans and advances	**159,704**	**72,983**	**-66,306**	**-32,118**	**4,036**	**0**	**-116**	**138,183**
Valuation allowances in Corporate Customers seg-	124,222	60,777	-59,747	-18,079	2,965	0	-97	110,041
Valuation allowances in Private Customers seg-	8,916	2,811	-37	-3,935	40	0	-31	7,764
Valuation allowances in Financial Markets segment	1,164	125	0	-176	0	0	14	1,127
Valuation allowances in Corporate Centre	25,402	9,270	-6,522	-9,928	1,031	0	-2	19,251

TEUR 2025	Opening balance	Additions	Utilisation	Reversals	Unwinding	Stage transfer	Other changes	Closing balance
Valuation allowances in cash reserve – stage 1	2	1	0	-2	0	0	1	2
Valuation allowances in cash reserve	2	1	0	-2	0	0	1	2
Valuation allowances for debt securities AC – stage 1	299	55	0	-82	0	0	-1	271
Valuation allowances for debt securities AC – stage 2	687	26	0	-4	0	0	0	709
Valuation allowances for debt securities AC – stage 3	997	0	0	0	0	0	0	997
Valuation allowances in debt securities AC	1,983	81	0	-86	0	0	-1	1,977
Valuation allowances in loans and advances AC –	16,833	5,656	0	-4,924	0	-1,405	21	16,181
Valuation allowances in loans and advances AC –	27,130	12,962	0	-11,470	0	-1,334	21	27,309
Valuation allowances in loans and advances AC –	87,180	21,315	-28,570	-17,364	3,451	2,739	8	68,759
Valuation allowances in loans and advances AC –	5,057	30	-3,213	-1,175	30	0	0	729
Valuation allowances in loans and advances AC	136,200	39,963	-31,783	-34,933	3,481	0	50	112,978
Valuation allowances in debt securities and loans and advances	138,183	40,044	-31,783	-35,019	3,481	0	49	114,955
Valuation allowances in Corporate Customers seg-	110,041	33,813	-27,601	-28,530	2,849	0	47	90,619
Valuation allowances in Private Customers seg-	7,764	1,905	-221	-2,787	40	0	2	6,703
Valuation allowances in Financial Markets segment	1,127	130	0	-152	0	0	-1	1,104
Valuation allowances in Corporate Centre	19,251	4,196	-3,961	-3,550	592	0	1	16,529

(45) FINANCIAL INSTRUMENTS BY CATEGORY

The presentation of financial instruments by measurement category can be found in the notes to the respective balance sheet item, as the measurement categories are already presented in detail in the balance sheet items in accordance with IFRS 9.

G. FINANCIAL RISKS AND RISK MANAGEMENT

The full disclosure on the organisational structure, risk management and the risk capital situation according to CRR are published on the internet at www.hypovbg.at.

(46) OVERALL RISK MANAGEMENT

The Group is exposed to the following risks in the course of its operating activities:

- Credit risk and counterparty default risk: This includes the risk of default by counterparties as well as the risk of a deterioration in creditworthiness. Risks may also arise from the use of credit risk mitigation techniques and in the form of foreign currency or concentration risks in connection with lending business as well as counterparty default risks. Risks may also arise from securitisation activities.
- Market risks: The common feature of these risks is that they arise from price changes on the money and capital markets. Market price risks are broken down into interest rate, spread, share price, foreign currency and commodity risks.
- Liquidity risks: Liquidity risks can be broken down into forward and call risks, structural liquidity risk (follow-up financing risks) and market liquidity risk. Forward risk refers to an unscheduled extension of the capital commitment period for asset transactions. Call risk is the risk that loan commitments will be drawn down unexpectedly or that deposits will be withdrawn. This results in the risk that a bank will no longer be able to meet its payment obligations without restriction. Structural liquidity risk is the risk that necessary follow-up financing cannot be provided or can only be provided on less favourable terms. Market liquidity risk arises when positions can only be sold immediately by accepting a decline in value.
- Operational risk: The risk of losses caused by the inappropriateness or failure of internal processes, people and systems or by external events. This includes legal risks, model risks and information and communication technology (ICT) risks, but not strategic risks and reputational risks.
- Investment risk: This risk type encompasses exposures in areas such as private equity, mezzanine financing, subordinated financing and investments in funds with these components. It also includes subordinated banking securities.
- Real estate risk: This generally refers to the risk of fluctuations in the value of real estate owned by the Group. In particular, this includes real estate that serves as loan collateral (including leased properties) and that cannot be sold to third parties in a timely manner in the course of liquidation ("bail-out purchases"). Owner-occupied real estate is not included.
- Risk of excessive debt: This refers to the risk of an equity ratio that is too low.
- Money laundering and financing of terrorism: The Group engages in all available measures to counter these risks.
- Other risks: In particular, other risks include risk types for which only rudimentary or no quantification methods currently exist.

The Group manages these risks with a view to limiting the risk to the Bank as a whole. The Managing Board is responsible for the overall risk management of the Group. In this capacity, it approves the principles of risk control and the risk measurement procedures. It also determines the Group's willingness to take risks and defines limits for all relevant risk types based on the risk-bearing capacity.

The Group regularly reviews the effects of economic and market developments on its income statement and net assets.

The basis for overall risk management is the strict separation of front office and back office functions. The risk management functions are combined under the responsibility of the responsible member of the Managing Board. Risk control is developed and carried out by the Group Risk Controlling department. The Group measures risks at Group level. The independent assessment and approval of loan applications is carried out by the Credit Management Corporate Customers (KMFK) and Credit Management Private Customers (KMPK) departments.

The risk situation and the risk-bearing capacity calculation are discussed by the Risk Committee. Within this committee and at Managing Board meetings, the Managing Board decides on the procedures for measuring market risk, the definition of the interfaces between Sales and Treasury with regard to the market interest rate method, and the level of market risk and liquidity limits. In addition to the full Managing Board and the Corporate Customers and Private Customers Sales department, the meetings are attended by the Group Risk Controlling, Controlling, Strategic Bank Management, Credit Management and Treasury departments.

The strategies, processes and procedures for managing risks are documented in writing. The Group has a risk management manual and a credit manual which are accessible to all employees. The manuals are revised at regular intervals. Furthermore, all relevant work processes are set out in written instructions, which are also accessible to all employees.

(47) SUSTAINABILITY RISKS

The Bank strives to measure and limit sustainability risks. This means that negative effects potentially resulting from the current or expected impact of sustainability factors on customers or loans must be measured and limited. This includes reputational risk. Sustainability from the "inside-out" perspective and the associated public image are therefore also indirectly relevant to risk.

The Bank is making efforts to limit risks in all three aspects (ecological, social and governance risks).

Environmental risks are a subgroup of sustainability risks. They are divided into physical climate risks and transition risks, although there are also interdependencies between these two categories. In terms of risk measurement, the focus is currently on climate risks. This involves measuring and limiting both physical and transitional risks. The potential impact of risks from declining biodiversity are also monitored.

Global climate change is associated with significant risks that could have a negative impact on the economy and society. These risks are systematically analysed and managed at Hypo Vorarlberg. Climate change has the potential to fundamentally transform the economy and society. Many companies are being forced to reconsider their business model in view of physical risks, new regulatory requirements or changed customer behaviour, and banks are not immune to these developments.

Hypo Vorarlberg is determined to manage the physical risks and transition risks of climate change and strengthen the resilience of its business model. It is taking suitable measures to ensure that it can identify climate risks and manage them effectively. Legal regulations (e.g. EU Disclosure Regulation, EBA Guidelines on Loan Origination and Monitoring, EBA Guidelines on the Management of ESG Risks) provide the framework for this, while responsibility lies with the full Managing Board.

Physical climate risks
The physical risks of climate change refer to risks resulting directly from changes in the climate, such as temperature changes, more frequent occurrence of extreme weather (e.g. cold spells or droughts) or natural disasters (e.g. forest fires, floods). Different economic sectors are affected by these risks to different degrees. According to the Austrian Financial Market Authority (FMA), the most vulnerable sectors include agriculture and forestry, food production, transport, tourism and energy.

Transition risks of climate change
In contrast to the physical risks of climate change, transition risks refer to the potential consequences arising from the development towards a more environmentally friendly economic system. These include political and regulatory measures to combat climate change (such as the introduction of a CO_2 tax) as well as changes in consumer behaviour (e.g. the trend towards environmentally friendly mobility solutions) and in technology (e.g. the development of a more climate-friendly alternative to the products or services offered by a company). Sectors that are heavily dependent on fossil fuels (e.g. energy production, iron and steel industry) or whose products cause high emissions (e.g. automotive manufacturers) are particularly affected by the transition risks of climate change.

While the direct physical climate risks to the Bank's infrastructure are rated as serious but generally low, it is primarily the indirect physical climate risks in its core business that are significant for the company (e.g. financing for companies that are exposed to physical risks). Transition risks of climate change also affect Hypo Vorarlberg mainly in its core business (e.g. financing for companies whose business models are being put to the test by changes in the climate).

DEALING WITH DIRECT CLIMATE RISKS
Direct physical risks for Hypo Vorarlberg – for example, from massive damage within the Group caused by extreme weather (e.g. the destruction of the Bank's infrastructure or IT systems) – are covered by the Bank's business continuity management. This aims to at least limit the potential damage of exceptional situations where these cannot be prevented. This also includes exceptional situations in connection with physical climate risks.

The overriding objective is to respond quickly and correctly to emergencies so that key business processes can continue. Known scenarios are outlined and recovery parameters are defined in the security and crisis manual along with the designated processes and resources. A committee – the Crisis Team – is responsible for the area of business continuity management (BCM) at Hypo Vorarlberg. It is supported by nominated security officers at all branches who have clearly defined tasks.

IDENTIFICATION & MEASUREMENT OF RISKS IN CORE BUSINESS
These risks are subject to the same management group as other risks at the Bank. A strategy for dealing with the risks identified as material must be developed on the basis of a risk inventory. Group Risk Controlling reports these risks to the Managing Board in an annual sustainability risk report.

Measurement of flooding risk in Vorarlberg
With regard to physical risks, the risk of flooding has been identified as potentially material.

The financed volume in red and yellow flood risk zones ("HQ100" = flood events with a medium probability of occurrence that statistically occur every 100 years) across Austria as a whole amounted to around EUR 549 million as at June 2025. Around EUR 413 million of this figure related to Vorarlberg. The volume in Vorarlberg is geographically diversified. It is highly unlikely that a flood event would affect the entire state. Some clusters can be identified at the level of individual customers, for example in the Rhine Valley. The water management department of the Vorarlberg state government expects the HQ100 zones to generally decrease as a result of construction measures. Flooding causes damage to property; only in a very small number of cases does the land itself lose its value. Although the loss level is reduced by government and insurance payouts, a loss event may have serious consequences for businesses. This assessment was confirmed by the developments following the flooding in Lower Austria in August 2024.

In the case of Hypo Vorarlberg Leasing A.G., Bolzano, the biggest exposures are manually inspected for physical risks every year. No material risks are currently identifiable.

Risks of flooding are taken into account when new loans are issued and may reduce the value of collateral, thereby requiring increased loan loss provisions to be recognised.

Management of greenhouse gas intensity
The pricing of greenhouse gas emissions is leading to a rise in energy costs and fuel costs, for example. The financial burden for customers is increasing as a result. The Group is developing a climate transition plan in line with the European regulations in order to identify and manage risks in this area. In particular, it is focusing on real estate-related financing, as this is the largest portfolio by some distance compared to other portfolios or sectors.

In new business, greater attention is paid to sectors with comparatively higher greenhouse gas intensity. Potential future expenses are taken into account in the rating on a qualitative basis. This may lead to a less favourable rating, and hence to higher loan loss provisions.

Energy performance certificates
Energy performance certificates must be obtained for real estate financing. The energy performance certificates include key figures that are each converted into a grade from A++ to G. The information from the energy performance certificates is required to be able to estimate the extent to which customers are exposed to a risk from higher energy costs, for example.

Customers that have a lower credit rating and occupy a property with weak energy performance are more heavily impacted by rising energy costs than other customers. Increased energy costs also impact the value of properties with high energy consumption more than that of properties with lower energy consumption. The risk of rising energy costs is currently being mitigated by extensive government subsidy programmes that are lessening the potential effects.

An analysis of loans in the Private Customers segment comparing the customer rating with the energy performance grade showed that the energy performance certificates mostly have a grade of B or better. There is only a weak correlation between the customer rating and the energy performance grade.

Hypo Vorarlberg Leasing A.G., Bolzano, began obtaining energy performance certificates in 2023.

Comparatively weak energy performance (and the higher heating costs this entails) tends to have an adverse effect on property prices. An increase in the unsecured portions of loans requires the recognition of higher loan loss provisions.

Improvement in data quality
Hypo Vorarlberg has worked intensively to improve data quality in the past. The introduction of new data structures and the reallocation of responsibilities in connection with energy performance certificates will lead to a continuous improvement in data quality.

(48) SENSITIVITY ANALYSIS

The following section shows how the volume and the anticipated loan loss provisions in stages 1 and 2 would change if different PD curves were used. Three scenarios are applied:

- Main scenario
- Negative scenario
- Positive scenario

The climate-related scenarios described in the non-financial statement are not expected to give rise to any impacts in the period in which various forward-looking information (FLI) scenarios are applied, and hence do not affect the quantitative simulation.

Sensitivities by stage – volume

TEUR 2025	Stage 1	Stage 2
Main scenario	60,641	-60,641
Negative scenario	-190,400	190,400
Positive scenario	178,927	-178,927

Sensitivities by stage – loan loss provisions

TEUR 2025	Stage 1	Stage 2
Main scenario	-549	-1,257
Negative scenario	1,512	3,681
Positive scenario	-919	-3,497

In the negative scenario, the volume in stage 2 would increase by TEUR 190,400. Loan loss provisions for stages 1 and 2 would increase by TEUR 5,193 in total. In the positive scenario, the volume in stage 2 would decrease by TEUR 178,927 and loan loss provisions for stages 1 and 2 would decrease by TEUR 4,416.

Sensitivities by segment – volume

TEUR 2025		Corporate customers	Private Customers	Banks	States
Main scenario	Stage 1	49,806	10,835	0	0
	Stage 2	-49,806	-10,835	0	0
Negative scenario	Stage 1	-163,357	-27,043	0	0
	Stage 2	163,357	27,043	0	0
Positive scenario	Stage 1	156,581	22,347	0	0
	Stage 2	-156,581	-22,347	0	0

Sensitivities by segment – loan loss provisions

TEUR 2025		Corporate customers	Private Customers	Banks	States
Main scenario	Stage 1	-278	-271	0	0
	Stage 2	-1,110	-147	0	0
Negative scenario	Stage 1	740	772	0	0
	Stage 2	3,234	447	0	0
Positive scenario	Stage 1	-139	-780	0	0
	Stage 2	-3,142	-355	0	0

In terms of the individual segments, the volume in stage 2 predominantly increases in the Corporate Customers segment in the negative scenario (TEUR 163,357). The increase in loan loss provisions for stage 1 and 2 in this segment amounts to TEUR 3,974.

(49) MARKET RISK

The objective of the Group's asset and liability management is the optimal management of market risks. The strict separation of trading units and risk control ensures the objective assessment of the risks incurred and the early detection of unfavourable developments. The risks are assessed on a daily basis by the Group Risk Controlling, which reports the results of its analyses to the responsible units.

Hypo Vorarlberg maintains a small trading portfolio within the meaning of Article 94 CRR in order to provide better customer service.

The balance sheet structure is managed via a uniform reference interest rate system using the market interest rate method. The setting of the reference interest rate determines the allocation of interest income and expenses to front office units or Treasury. As a key management tool, fixed interest rates are therefore set by the Managing Board and resolved anew every year.

Risk measurement with regard to market risks is based on three methods that are each calculated centrally for the individual bank:

- Value at risk (VaR)
- Change in present value of equity in stress tests (economic value)
- Change in net interest income in the next twelve months in stress scenarios (income perspective)

The value at risk describes the loss that will not be exceeded at a certain probability and over a certain holding period. The Group uses SAP software to measure value at risk. It employs a historical simulation with the following parameters:

Historical simulation parameters	
Historical period	250 trading days
Holding period	10 trading days
Confidence level	99%

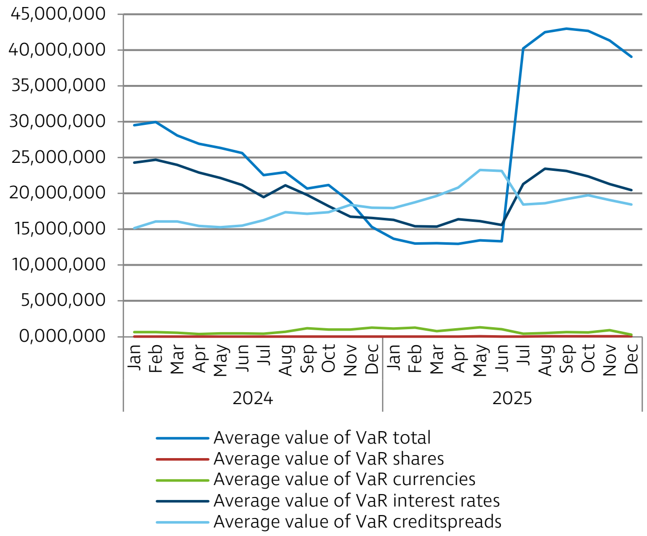
The VaR limit defines the maximum loss the Group is prepared to absorb under normal market conditions. The Managing Board defines the global VaR limit on an annual basis in line with the ICAAP. In addition, limits are defined for various yield curves, currency pairs, credit spread risks and equity risks, for example. A new model for credit spread risks was introduced in 2025. Credit spread risk is no longer simulated together with the other market risk types. Since July 2025, the results of the credit spread VaR and the VaR for the other market risk types have been added together and correlations are no longer applied. This has resulted in an increase in the total VaR.

Group Risk Controlling is responsible for implementing the stress tests required by the EU's IRRBB (Interest Rate Risk in the Banking Book) Guideline. The results are reported in the risk report.

In addition to present value figures, the Group regularly prepares gap analyses for managing fixed interest rates on the money market and the capital market.

Foreign currency risk is relatively limited as open positions are generally closed. The Group only has a very limited equity risk.

Development of mean VaR
in EUR



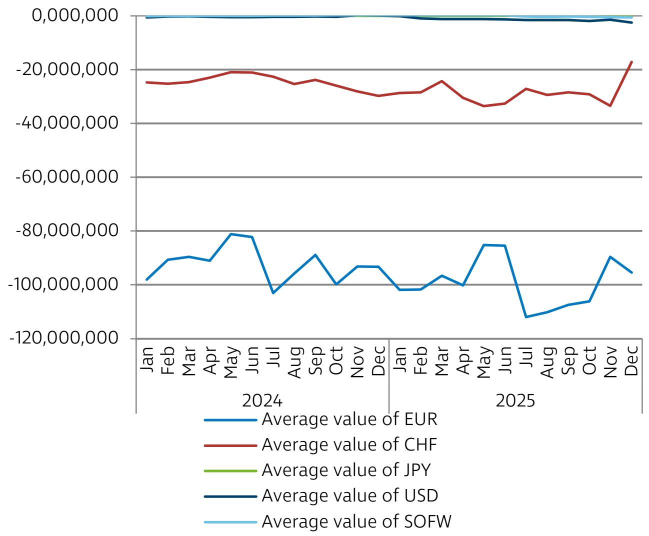
VaR for the individual risk types developed as follows over the past two years:

TEUR 2024	Mean VaR Total	Mean VaR (interest rates)	Mean VaR (FX)	Mean VaR (shares)	Mean VaR Credit spreads
January	29,524	24,298	637	19	15,139
February	29,945	24,706	637	20	16,056
March	28,062	23,961	546	18	16,071
April	26,903	22,897	363	17	15,443
May	26,345	22,130	436	16	15,283
June	25,613	21,149	465	8	15,475
July	22,554	19,484	425	14	16,245
August	22,962	21,097	678	16	17,365
September	20,653	19,777	1,180	16	17,153
October	21,155	18,211	992	16	17,350
November	18,784	16,757	996	17	18,409
December	15,327	16,546	1,264	18	18,010

TEUR 2025	Mean VaR Total	Mean VaR (interest rates)	Mean VaR (FX)	Mean VaR (shares)	Mean VaR Credit spreads
January	13,650	16,308	1,124	18	17,955
February	12,971	15,401	1,249	21	18,764
March	13,034	15,358	748	20	19,631
April	12,959	16,391	1,023	28	20,782
May	13,454	16,117	1,328	30	23,261
June	13,296	15,571	1,046	29	23,123
July	40,210	21,301	404	43	18,430
August	42,490	23,416	479	42	18,603
September	43,018	23,126	646	42	19,194
October	42,681	22,341	573	41	19,717
November	41,314	21,313	913	40	19,066
December	39,069	20,466	276	40	18,416

The change in present values resulting from a 200-basis-point shift in the yield curves developed as follows over the past two years:

Development of change in present values resulting from 200-basis-point shift



(50) CREDIT RISK

The Group's medium-term credit risk objectives and policies are set out in writing in the risk strategy. The analysis incorporates the overall Bank strategy, business policy requirements, risk-bearing capacity and lending risks. This results in specific, medium-term objectives regarding the portfolio structure and clear limits for all relevant risks (large exposures, foreign currency components, etc.).

The principles of risk behaviour in lending business are:

- Name lending only, without meeting the usual conditions and without informative economic documentation, is not carried out.
- The Group aims to avoid cluster risks in terms of sectors, regions, foreign currencies and individual customers.
- Loans are to be priced appropriately in line with the risks.
- Higher collateral is targeted in weak rating classes.
- The goal is for loans involving foreign currency risks for the customer to decrease both in absolute terms and with regard to the total volume. In the case of foreign currency loans, (partial) conversions or (partial) repayments are targeted.
- The goal is to achieve a reduction in foreign currency loans repayable on final maturity.
- In EUR and in foreign currencies alike, the goal is to convert loans repayable on final maturity to amortising loans (with the exception of the "Lebenswert" and "Lebenszeit" loans at the individual bank and first mortgages at the St. Gallen branch).
- As previously, loans in a currency other than EUR are granted only very selectively (with the exception of the St. Gallen branch in CHF).
- The Group does not finance any new customers in rating class 5. Financing is permitted for existing borrowers undergoing a restructuring phase.
- For weaker rating classes, top-quality collateral must be targeted.
- Acquisitions in different sectors may involve elevated risks and must be evaluated more critically.
- A more cautious approach is adopted in Tyrol and Carinthia compared to the rest of Austria, with more stringent requirements being applied to new business. The Bank does not have any branches in these federal states.
- New customers outside the core markets represent an elevated risk and must be examined more critically. The regulations on country limits or regional limits and other regulations in the individual sections must be observed.
- The goal is to achieve a reduction in repayment vehicle loans.
- For existing customers with repayment vehicle loans, the Group aims to achieve higher savings for the repayment vehicles or, preferably, a conversion to (partially) amortising loans.
- In the case of new approvals of individual projects with a rating of 3c or worse, individual projects with a volume of over EUR 30 million must have above-average capital adequacy.
- In lending business, higher complexity requires more intensive checks.

The Group calculates the expected loss (EL) for the entire credit portfolio. An in-house IT tool based on the CRR IRB approach has been developed to calculate the economic capital and the unexpected loss (UL).

In countries where systemic risk or transfer risk cannot be ruled out, the Group intends to grant loans only to a limited extent. To this end, the Managing Board sets country limits that are monitored on an ongoing basis, the utilisation of which is regularly reported to the Managing Board. The banks customer group has its own defined volume limits. Banks are important business partners, e.g. in money market and derivatives trading. They are granted large-volume loans, sometimes with very short terms. These limits are also monitored on a regular basis and their utilisation is reported to the Managing Board. Limits and their utilisation are reported to the Supervisory Board once a year.

Various rating modules tailored to the respective customer group are employed in order to enable the Group to take account of the creditworthiness-relevant characteristics of its various customer segments. These systems meet the requirements of the FMA's Minimum Standards for Lending Business (FMA-MSK) for risk classification procedures. The result is the classification of borrowers into a uniform 25-level rating scale (1a to 5e), with the last five rating levels (5a to 5e) being default levels. Estimated one-year probabilities of default are associated with each rating grade. Rating grades 1a to 2e indicate excellent to very good creditworthiness, rating grades 3a to 3e stand for medium creditworthiness, and rating grades 4a to 4e denote increased default risk. External ratings are generally available in Treasury. If no external ratings are available for a counterparty, an internal rating must be prepared by the back office. External ratings are assigned to the internal rating scale. Rating class 1 is only intended for business partners with a very good external rating.

Credit decisions are made on the basis of the dual control principle. For each area, there are authorisation rules that define rating- and volume-dependent authorisations for the front and back office. As a rule, a second vote by the back office is required.

The Group identifies default events using the CRR definition of default. The recording of default ratings is mainly ensured on a technical basis, or in exceptional cases on a procedural basis. If a default event occurs, the customer in question is assigned a default rating (rating class 5). The Group uses an early warning event recovery system to clearly identify 90-day defaults. The system triggers a standardised workflow that forces the front and back office to handle exposures in default. If an exposure is not resolved within 90 days, it is normally transferred to Central Credit Management for restructuring.

The Group takes account of the particular risks of the banking business through a conservative lending policy, strict credit monitoring and the prudent recognition of specific valuation allowances. Specific valuation allowances are recognised for the credit risks inherent in loans and advances to customers and banks in accordance with uniform Group-wide standards. Risk provisions for defaulted exposures are recognised on the basis of estimates of the amount of future loan defaults and interest discounts. A specific valuation allowance is recognised for a loan if it is probable, based on observable criteria, that not all of the contractually agreed interest and principal obligations can be met. The amount of the specific valuation allowance is the difference between the carrying amount of the loan and the present value of the expected future cash flows, taking into account any discounted collateral. The total amount of the allowance for losses on loans and advances, where it relates to on-balance-sheet receivables, is deducted directly from loans and advances. By contrast, the allowance for losses on off-balance-sheet transactions (guarantees, endorsement liabilities, loan commitments) is reported as a provision for guarantees and commitments. Uncollectible receivables are written off directly. Recoveries on receivables written off are recognised in profit or loss.

The subsidiaries generally use the same rating tools as the parent company. This provides for uniform credit ratings across the Group.

The total exposure includes balance sheet receivables but also contingent liabilities such as open commitments or warranties.

Segments broken down by rating class (maximum default risk)

TEUR 31.12.2024	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Not rated	Total
Corporate Customers	647,227	2,060,775	4,584,614	483,636	410,346	2,137	8,188,735
Private Customers	0	1,187,838	1,099,630	24,279	23,281	19,378	2,354,406
Financial Markets	3,062,256	340,507	53,829	0	0	14,038	3,470,630
Corporate Centre	318,996	680,475	1,612,438	125,465	52,054	217,153	3,006,581
Total exposure	**4,028,479**	**4,269,595**	**7,350,511**	**633,380**	**485,681**	**252,706**	**17,020,352**

TEUR 31.12.2025	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Not rated	Total
Corporate Customers	599,202	2,015,530	4,486,616	377,273	410,988	30,629	7,920,238
Private Customers	0	1,245,454	1,031,186	18,242	21,176	18,563	2,334,621
Financial Markets	2,980,584	299,074	90,937	0	0	211	3,370,806
Corporate Centre	189,199	581,453	2,092,398	78,338	39,302	211,078	3,191,768
Total exposure	**3,768,985**	**4,141,511**	**7,701,137**	**473,853**	**471,466**	**260,481**	**16,817,433**

Regions broken down by rating class (maximum default risk)

TEUR 31.12.2024	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Not rated	Total
Austria	1,429,265	2,791,778	4,507,542	398,109	313,330	5,361	9,445,385
Italy	0	167,804	586,275	112,313	52,660	8,900	927,952
Germany	697,066	539,571	1,100,374	63,737	108,311	7	2,509,066
Switzerland and Liechtenstein	502,128	404,629	970,977	57,448	8,011	507	1,943,700
Other foreign countries	1,400,020	365,813	185,343	1,773	3,369	237,931	2,194,249
Total exposure	**4,028,479**	**4,269,595**	**7,350,511**	**633,380**	**485,681**	**252,706**	**17,020,352**

TEUR 31.12.2025	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Not rated	Total
Austria	1,591,401	2,768,228	4,308,704	273,333	361,006	27,123	9,329,795
Italy	0	166,314	589,397	115,910	38,963	5,748	916,332
Germany	494,452	486,774	1,129,851	71,290	61,881	8,054	2,252,302
Switzerland and Liechtenstein	149,377	405,123	1,379,895	11,737	6,491	971	1,953,594
Other foreign countries	1,533,755	315,072	293,290	1,583	3,125	218,585	2,365,410
Total exposure	**3,768,985**	**4,141,511**	**7,701,137**	**473,853**	**471,466**	**260,481**	**16,817,433**

Industries (maximum default risk)

TEUR	31.12.2025	31.12.2024
Financial intermediaries	2,684,148	3,109,967
Consumers/private customers	2,528,156	2,521,506
Public sector	1,758,658	1,487,254
Real estate	5,280,285	4,684,306
Services	565,939	698,837
Trade	872,783	965,423
Metals/machinery	380,056	370,087
Construction	280,373	802,297
Transport/communications	392,657	370,802
Tourism	623,996	573,114
Water and energy utilities	208,917	203,086
Other goods	159,732	171,221
Vehicle construction	182,150	203,437
Petroleum, plastics	105,390	80,325
Other industries	794,193	778,690
Total exposure	**16,817,433**	**17,020,352**

Exposure in rating class 5

TEUR	31.12.2025	31.12.2024
Corporate Customers – exposure	410,988	410,346
Corporate Customers – valuation allowance	56,239	73,759
Private Customers – exposure	21,176	23,281
Private Customers – valuation allowance	2,631	3,409
Corporate Centre – obligation	39,302	52,054
Corporate Centre – valuation allowance	11,203	14,913
Total exposure	**471,466**	**485,681**
Total valuation allowance	**70,073**	**92,081**

Non-performing loans

The Group defines loans and advances (including off-balance-sheet transactions, including lease receivables, not including securities) as non-performing loans if they meet at least one of the following criteria:

- asset class of loans in arrears (Article 178 CRR)
- stage 03, E3 or E4
- rating class 5

Non-performing loans amounted to TEUR 532,773 as at 31 December 2025 (2024: TEUR 486,528). The NPL ratio as defined by the EBA was 4.60% (2024: 3.52%).

Collateral

A uniform and transparent collateral measurement policy governs the measurement and acceptance of collateral. During the term of a loan, the collateral is monitored on a regular basis to ensure that it retains its value. Collateral is usually measured by the back office or, if above a certain size, by a body independent of the lending process.

The most important type of collateral is real estate. Valuations are reviewed regularly. The operating conditions for the eligibility of such collateral for capital backing are guaranteed. Loans above TEUR 3,000 are remeasured by independent specialists after no more than three years. Hypo Immobilien & Leasing GmbH operates as a service provider in this area to ensure uniform, independent valuations. Real estate collateral is predominantly located in the markets served by the Bank. The largest volume of real estate collateral is located in its home market of Vorarlberg, followed by Vienna. In Italy, the leased assets are located in northern Italy.

Personal guarantees can only be taken into account when the guarantor or liable party has an excellent credit rating.
This typically means public bodies or banks.
Discounts are applied to the current market value of financial collateral to account for unexpected fluctuations. In addition, such collateral must be sufficiently liquid to ensure that it can be realised. There is no significant concentration of guarantors.

Other collateral is only accepted if its recoverability and legal enforceability are ensured in all respects. Bad debts backed by mortgages are recovered by Hypo Immobilien & Leasing GmbH.
In the reporting period, no properties were acquired by the Hypo Immobilien & Leasing Group (2024: three properties for TEUR 8,881) and two properties were sold for TEUR 80 (2024: one property for TEUR 2,935).

Depending on the market situation, it may not be easy to convert the acquired properties into cash. Following acquisition, the Group analyses whether a sale or a long-term let would be more advantageous. In the event of a sales strategy, efforts are made to implement the sale as quickly as possible, taking the proceeds into account. In the event of a letting strategy, the property is permanently classified as investment property in the Group.

Due to restructuring measures, significant individual exposures were given a healthy rating in 2025.

Loans and advances past due but not impaired

TEUR	31.12.2025	31.12.2024
Number of days past due		
Less than 1 day	16,213,417	16,355,171
1 to 60 days	131,936	148,923
61 to 90 days	613	30,225
Total exposure	16,345,966	16,534,319

Loans and advances with forbearance measures

TEUR	31.12.2025	31.12.2024
Financial intermediaries	205	10,699
Non-financial companies	157,120	259,593
Private households	6,396	9,619
Loans and advances with forbearance measures on performing loans	163,721	279,911
Financial intermediaries	1,331	416
Non-financial companies	149,282	101,513
Private households	7,533	11,123
Loans and advances with forbearance measures on non-performing loans	158,146	113,052
Total loans and advances with forbearance measures	321,867	392,963

In November 2020, Hypo Vorarlberg entered into its second synthetic securitisation in the form of a financial guarantee from the European Investment Fund (EIF) for the mezzanine tranche of a reference portfolio of loans, mostly to small and medium-sized enterprises (SMEs) and mid-caps in Austria and Germany. The reference portfolio had a volume of TEUR 330,000 on conclusion of the securitisation in 2020, and TEUR 95,840 of the reference portfolio was still outstanding as at 31 December 2025.

TEUR	31.12.2025	31.12.2024
Senior tranche	76,112	110,720
Mezzanine tranche	15,857	23,067
First loss tranche	3,871	2,769
Total reference portfolio	95,840	136,556

In December 2023, Hypo Vorarlberg entered into another synthetic securitisation in the form of a financial guarantee from the European Investment Fund (EIF) for the mezzanine tranche of a reference portfolio of loans, mostly to small and medium-sized enterprises (SMEs) and mid-caps in Austria and Germany. The reference portfolio had a volume of TEUR 360,000 on conclusion of the securitisation in 2023. TEUR 286,890 of the reference portfolio was still outstanding as at 31 December 2025.

TEUR	31.12.2025	31.12.2024
Senior tranche	233,593	293,760
Mezzanine tranche	48,665	61,200
First loss tranche	4,632	5,040
Total reference portfolio	286,890	360,000

The reference portfolios were not sold and remain on Hypo Vorarlberg's books. The significant risk transfer under Articles 245 and 251 CRR leads to a reduction in risk-weighted assets and thus the own funds requirement. Hypo Vorarlberg has exercised the option to deduct securitisation items with a risk weighting of 1.250% from the capital and no longer recognises these items under risk-weighted assets.

(51) LIQUIDITY RISK

The goal of liquidity risk management is to ensure the Bank's ability to pay its obligations at all times (operating liquidity) while also minimising the costs associated with holding cash. The Group monitors its liquidity buffer on an ongoing basis. This includes the instruments and markets available for refinancing and assets that are convertible into cash (tactical liquidity management). As part of strategic liquidity management, the Group manages the maturities of its assets and liabilities and defines a corresponding issuance strategy. Monitoring involves gap analyses and forecasting the issue volume required for the calendar year. The Group seeks to identify potential risks by conducting regular stress tests. Contingency plans are in place to ensure the Bank's continued solvency in the event of a liquidity crisis.

The Bank employs the following control instruments to identify and contain liquidity risks:

Operational
- Limiting weekly liquidity gaps on the money market
- Liquidity coverage ratio

Strategic
- Limiting cumulative annual liquidity gaps on the capital market
- Forecasting the issue volume required for the calendar year
- Liquidity value at risk

Stress tests
- Composition of liquidity requirements and liquidity buffer in a crisis situation

The Group is aware of the considerable significance of the capital market for funding. Relationships with investors are established and maintained through regular road shows. The Group aims to ensure a diverse issuance policy with regard to markets, instruments and investors.

The Bank's liquidity buffer should be large enough at all times to accommodate drawdowns of loan commitments (call risk) and to ensure that expected payments not received (forward risk) do not compromise its solvency. Furthermore, the Group currently makes almost no use of the OeNB and the ECB's marginal lending facilities or the SNB repo system. The Group participated in the ECB's long-term tenders in the past. It has sufficient available liquidity at all times to prevent bottlenecks in the event of a crisis.

Hypo Vorarlberg complies with the liquidity regulations set out in the Austrian Banking Act (BWG) and the CRR. There are no additional cash flow risks for the Group besides the risks described here.

The information in the tables on the money market and capital market maturity profiles relate to financial instruments. The expected cash flows are composed as follows: The disclosures in the derivatives column relate to notes (16), (20) and (22). The disclosures in the assets column relate to notes (15) and (17) to (19). The disclosures in the liabilities column relate to notes (23), (24) and (25). The money market table shows maturities within the next twelve months. The capital market table shows maturities after the next twelve months.

Money market maturity profile

TEUR	Assets		Liabilities		Total
31.12.2024	Assets	Derivatives	Liabilities	Derivatives	
January 2025	1,185,806	216,302	-844,144	-211,617	346,347
February 2025	258,496	378,281	-957,904	-353,179	-674,306
March 2025	843,647	56,847	-370,859	-48,609	481,026
April 2025	219,827	56,073	-277,634	-61,791	-63,525
May 2025	167,941	63,244	-277,686	-48,682	-95,183
June 2025	278,494	67,553	-296,481	-65,663	-16,097
July 2025	177,096	36,240	-238,561	-31,705	-56,930
August 2025	170,234	22,363	-165,376	-45,193	-17,972
September 2025	215,295	42,994	-201,794	-36,650	19,845
October 2025	199,577	17,136	-208,300	-23,078	-14,665
November 2025	113,187	24,297	-266,227	-40,435	-169,178
December 2025	410,914	87,196	-261,940	-83,698	152,472

TEUR	Assets		Liabilities		Total
31.12.2025	Assets	Derivatives	Liabilities	Derivatives	
January 2026	1,116,536	283,692	-668,536	-283,765	447,927
February 2026	201,897	133,221	-905,735	-103,889	-674,506
March 2026	860,171	46,294	-355,465	-49,232	501,768
April 2026	312,779	32,094	-287,930	-35,764	21,179
May 2026	180,082	74,534	-460,817	-48,670	-254,871
June 2026	231,818	26,575	-234,511	-27,098	-3,216
July 2026	139,433	68,894	-721,132	-74,789	-587,594
August 2026	134,236	25,305	-175,164	-43,583	-59,206
September 2026	204,975	38,645	-204,069	-30,998	8,553
October 2026	199,920	18,590	-197,281	-22,744	-1,515
November 2026	125,881	14,238	-168,128	-38,087	-66,096
December 2026	362,539	28,075	-204,803	-23,486	162,325

Capital market maturity profile

TEUR	Assets		Liabilities		Total
31.12.2024	Assets	Derivatives	Liabilities	Derivatives	
2025	4,269,210	1,068,526	-4,366,870	-1,050,302	-79,436
2026	1,966,704	399,082	-1,904,324	-389,691	71,771
2027	1,677,522	485,696	-2,180,191	-460,585	-477,558
2028	1,318,421	207,821	-1,589,565	-183,203	-246,526
2029	1,207,431	166,080	-1,210,015	-159,211	4,285
2030	949,690	147,041	-1,093,979	-119,669	-116,917
2031	871,137	115,664	-395,272	-97,979	493,550
2032	825,863	122,347	-269,145	-112,766	566,299
2033	684,861	89,057	-248,012	-81,130	444,776
2034	650,802	97,734	-303,386	-91,021	354,129
2035	380,397	65,762	-72,955	-58,583	314,621
2036	323,342	101,712	-112,421	-97,381	215,252

TEUR	Assets		Liabilities		Total
31.12.2025	Assets	Derivatives	Liabilities	Derivatives	
2026	4,092,645	790,154	-4,583,520	-782,087	-482,808
2027	1,904,265	536,508	-2,624,395	-522,322	-705,944
2028	1,631,904	275,566	-1,930,192	-254,603	-277,325
2029	1,333,549	221,404	-1,253,024	-216,627	85,302
2030	1,219,003	203,000	-1,157,990	-174,569	89,444
2031	984,187	168,859	-475,042	-149,666	528,338
2032	979,316	177,060	-794,721	-154,886	206,769
2033	798,334	127,142	-260,863	-112,668	551,945
2034	807,708	134,381	-315,055	-122,211	504,823
2035	649,473	96,404	-287,869	-88,873	369,135
2036	420,145	125,464	-112,390	-118,372	314,847
2037	361,867	78,434	-59,944	-70,586	309,771

(52) OPERATING RISK

Operating risks (OR) are minimised in all divisions of the Bank through the clear distribution of responsibilities and written procedural instructions. The Bank has written emergency plans in place and a security and crisis management manual are made available to all employees. Employees receive regular training to prepare them for crisis events of all kinds. The Bank has engaged in a critical review of all internal processes multiple times as part of functional analyses.

Loss events at the Bank are recorded in a loss event database. In this database, operating loss events are assigned to different categories. Quality assurance is performed by the operational risk managers, who review each loss event. For example, the recording of loss events is guaranteed by making it a requirement for a necessary entry. The database is analysed as part of the quarterly OR report.

The Bank places great emphasis on data protection and security measures and conducts a large number of controls and monitoring processes to ensure that entrusted data remains confidential. Internal Audit conducts both regular and unannounced audits to ensure adherence to procedural instructions.

Material transactions and decisions are made exclusively in accordance with the dual control principle. Well-trained and conscientious employees are of great importance to the Bank. The internal Legal department designs contracts carefully so as to minimise legal risks, where necessary in consultation with specialist lawyers.

(53) CONSOLIDATED CAPITAL AND REGULATORY CAPITAL REQUIREMENTS

Capital management

The Group's capital management objectives and requirements include:

- Compliance with the regulatory capital requirements of CRR
- Maintaining a going concern
- Servicing shareholder distributions
- Developing the capital base

Capital adequacy in accordance with CRR is monitored on an ongoing basis. This data is determined once a month and reported to the OeNB once a quarter on an individual basis and at Group level.

For 2025, the CRR stipulates that banks must achieve or exceed a common equity tier 1 (CET1) ratio of 4.50%, a tier 1 (T1) ratio of 6.00% and an equity ratio of 8.00%. An additional capital preservation buffer of 2.50% (2024: 2.50%) and a systemic risk buffer of 0.50% (2024: 0.50%) also applied in 2025, among other requirements. Hypo Vorarlberg complied with the provisions of the CRR on regulatory capital both in 2025 and in the previous year.

The banking group's regulatory capital is calculated by the Reporting department and consists of three tiers.

Common equity tier 1 capital – CET1

This includes the eligible and paid-in capital instruments, share premium accounts related to these instruments, retained earnings, eligible profit/loss for the year, accumulated other comprehensive income, and other reserves. The CRR also provides for deductions, such as for intangible assets, deferred tax assets, measurement effects due to the institution's own credit risk, deductions due to prudent valuation, and common equity tier 1 (CET1) instruments of financial sector entities that exceed certain thresholds.

Additional tier 1 capital – AT1
This includes the eligible and paid-in capital instruments and share premium accounts relating to these instruments. The CRR also provides for deductions in respect of these items.

Tier 1 capital (T1) is the total of common equity tier 1 capital (CET1) and additional tier 1 capital (AT1).

Tier 2 capital – T2
This includes eligible tier 2 bonds and subordinated loans and share premium accounts relating to these instruments. Tier 2 instruments in the last five years of their terms are only eligible to a certain extent. Tier 2 instruments of financial sector entities that exceed certain thresholds are also deductible here.

Eligible own funds are calculated by adding tier 1 (T1) and tier 2 (T2) capital. The tables below show the capital requirements pursuant to the CRR and the breakdown of the banking group's capital.

Pillar 2 economic perspective
Pillar 2 of Basel III requires banks to prove their capital adequacy, including using internal models. In particular, they must also take account of risks for which no capital requirements are specified under Pillar 1, such as interest rate risk in the banking book. As part of this internal capital adequacy assessment process (ICAAP), the Bank identifies, quantifies, aggregates and monitors all material risks. The Bank calculates the necessary economic capital for each risk. In cases where it is not possible to calculate economic capital, the Bank provides for capital buffers. The available cover potential is allocated to organisational units and risk types as part of annual planning.

The Bank uses a risk-bearing capacity calculation to ensure that risk budgets are adhered to and the risks assumed are covered by the available coverage potential. The Bank uses a confidence level of 99.9% for the risk-bearing capacity calculation in the liquidation view. The holding period is one year. Correlations between the individual risk types are not taken into account. The risk-bearing capacity calculation is performed monthly.

The Bank follows the IRB approach of Basel III for calculating economic capital in credit risk. The consumption of economic capital depends on the type and amount of the obligation, the collateralisation and the rating of the obligor. The ICAAP uses value at risk to manage market risk. The VaR limit defines the maximum loss that the Bank is prepared to accept under normal market conditions. The Managing Board sets the global VaR limit annually. In addition, limits are set for various interest rate curves, currency pairs or equity risks.

The Bank calculates its economic capital for operational risk using the basic indicator approach of Pillar 1. In order to quantify structural liquidity risk, Hypo Vorarlberg calculates a liquidity value at risk, the calculation of which is based on the ICAAP guidelines of the FMA/OeNB. Separate approaches are used for investment risk, real estate risk, foreign currency risk in the lending business, migration risk and counterparty default risk. An equity buffer is provided for other risks.

Regulatory requirements according to CRR

Total risk exposure according to CRR

TEUR	31.12.2025	31.12.2024
Risk-weighted exposure amounts	8,908,693	8,445,274
Total exposure amount for position, foreign exchange and commodity risks	805	407
Total risk exposure amount for operational risk	498,769	537,869
Total risk exposure amount for credit valuation adjustment	40,819	29,098
Total risk exposure amount	**9,449,086**	**9,012,648**

Common equity tier 1 capital (CET1) according to CRR

TEUR	31.12.2025	31.12.2024
Capital instruments eligible as CET1 capital	206,826	206,825
Retained earnings	1,172,264	1,132,610
Accumulated other comprehensive income	3,568	8,156
Other reserves	139,082	139,082
Minority interests	98	99
Adjustments to CET1 capital due to deductions and adjustments	-12,708	-18,687
Intangible assets	-3,174	-2,876
Insufficient coverage of non-performing risk positions	-8,291	-8,515
Other transitional adjustments to CET1 capital	0	3,895
Common equity tier 1 capital (CET1)	**1,497,665**	**1,460,589**

Additional tier 1 capital (AT1) according to CRR

TEUR	31.12.2025	31.12.2024
Capital instruments eligible as AT1 capital	103,683	50,000
Instruments issued by subsidiaries that are recognised in AT1	19	20
Additional core capital (AT1)	**103,702**	**50,020**

Tier 2 capital (T2)

TEUR	31.12.2025	31.12.2024
Capital instruments eligible as T2 capital	189,322	228,585
Instruments issued by subsidiaries that are recognised in T2 capital	26	26
Tier 2 capital (T2)	**189,348**	**228,611**

Composition of own funds according to CRR and capital ratios

TEUR	31.12.2025	31.12.2024
Common equity tier 1 capital (CET1)	1,497,665	1,460,589
Additional core capital (AT1)	103,702	50,020
Tier 1 capital (T1)	**1,601,367**	**1,510,609**
Tier 2 capital (T2)	189,348	228,611
Own funds	**1,790,715**	**1,739,220**
CET1 capital ratio (CET1)	15.85%	16.21%
Surplus of CET1 capital (CET1)	1,072,456	1,055,021
T1 capital ratio (T1)	16.95%	16.76%
Surplus of T1 capital (T1)	1,034,421	969,851
Total capital ratio	18.95%	19.30%
Surplus of total capital	1,034,788	1,018,209

H. DISCLOSURES PERTAINING TO AUSTRIAN LAW

(54) AUSTRIAN LAW

The consolidated financial statements have been prepared in accordance with section 59a of the Austrian Banking Act (BWG) in conjunction with section 245a (1) of the Austrian Commercial Code (UGB) in accordance with IFRS accounting standards as adopted by the EU. In addition, pursuant to section 59a BWG, the information required by section 64 (1) no. 1-15 and (2) BWG and section 245a (1) and (3) UGB must be included in the notes to the consolidated financial statements.

(55) ADDITIONAL DISCLOSURES PURSUANT TO THE AUSTRIAN BANKING ACT

The disclosure pursuant to section 64 (1) no. 1 BWG on the equity interest in the leasing business can be found in note (19).

The disclosure pursuant to section 64 (1) no. 2 BWG on total assets and liabilities in foreign currencies can be found in note (29).

The disclosure pursuant to section 64 (1) no. 3 BWG on forward transactions not yet settled at the reporting date can be found in notes (16) and (22).

The disclosure pursuant to section 64 (1) no. 4 BWG on the residual terms of loans and advances to banks and customers and liabilities to banks and customers can be found in note (30).

Subordinated liabilities are included in the balance sheet items "Financial liabilities at fair value (option)" and "Financial liabilities at amortised cost". The following table provides details pursuant to section 64 (1) no. 5-6 BWG.

TEUR	Number		Carrying amount	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Tier 2 capital according to Part Two Title I Chapter 4 (EU Reg. 575/2013) – LFVO	4	4	29,489	29,379
Tier 2 capital according to Part Two Title I Chapter 4 (EU Reg. 575/2013) – LAC	5	5	216,529	266,043
Additional tier 1 capital according to Part Two Title I Chapter 3 (EU Reg. 575/2013)	3	2	104,111	50,381

	Average interest rate		Average remaining term to maturity	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Tier 2 capital according to Part Two Title I Chapter 4 (EU Reg. 575/2013) – LFVO	4.382%	4.192%	5.6	6.7
Tier 2 capital according to Part Two Title I Chapter 4 (EU Reg. 575/2013) – LAC	2.921%	3.222%	4.5	4.6
Additional tier 1 capital according to Part Two Title I Chapter 3 (EU Reg. 575/2013)	5.194%	6.074%	No maturity	No maturity

The following subordinated liabilities exceed 10% of the total amount of the subordinated liabilities shown above. The conditions of these issues in accordance with section 64 no. 5 BWG are also shown.

- Subordinated bond ISIN AT0000A1YQ55, TEUR 50,000, fixed interest rate 3.125%, term 2017 to 2027, no termination or conversion option, will be repaid at nominal amount at end of term
- Subordinated bond ISIN CH0461238948, TCHF 100,000, fixed interest rate 1.625%, term 2019 to 2029, no termination or conversion options, will be repaid at nominal amount at end of term
- Subordinated bond ISIN AT0000A321S4, TEUR 44,000, fixed interest rate 4.75%, term 2022 to 2032, no termination or conversion option, will be repaid at nominal amount at end of term

In 2016, additional tier 1 capital in the amount of TEUR 10,000 was generated through the issue of the Hypo Vorarlberg additional tier 1 bond 2016, ISIN AT0000A1LKA4. The distribution corresponds to 5.87% p.a. for the first ten years and subsequently to the six-month Euribor plus 5.30% p.a. (annual payment). It can be called by the issuer after ten years, and on an annual basis thereafter. In 2018, additional tier 1 capital in the amount of TEUR 40,000 was generated through the issue of the Hypo Vorarlberg additional tier 1 bond 2018, ISIN AT0000A20DC3. The distribution corresponds to 6.125% p.a. for the first twelve years and one month and subsequently to the six-month Euribor plus 5.00% p.a. (semi-annual payment). It is redeemable for the first time at the issuer's discretion after twelve years and one month, and on an annual basis thereafter. In 2025, additional tier 1 capital in the amount of TCHF 50,000 was generated through the issue of the Hypo Vorarlberg additional tier 1 bond 2025, ISIN CH1494626265. The distribution corresponds to 4.375% p.a. for the first five years and three months and subsequently to the five-year CHF mid-swap rate plus 4.246% p.a. (annual payment). It is redeemable for the first time at the issuer's discretion after five years and three months, and on an annual basis thereafter.Interest accrued as at the end of the reporting period amounts to TEUR 628 for the three bonds (2024: TEUR 321). The bonds are unsecured and subordinated and have an indefinite term.

In 2026, bonds and other fixed-income securities pursuant to section 64 (1) no. 7 BWG with a nominal amount of TEUR 353,755 (2025: TEUR 336,410) and issued bonds in the amount of TEUR 1,275,818 (2025: TEUR 780,527) will be due for repayment.

The disclosure pursuant to section 64 (1) no. 8 BWG on assets furnished as collateral can be found in note (34).

The disclosure pursuant to section 64 (1) no. 9 BWG is not made in terms of geographical markets, as these do not differ materially from the Bank's organisational structure.

The disclosure pursuant to section 64 (1) no. 12 BWG is already made in the individual notes to the consolidated financial statements where the amounts are significant.

Interest expenses for subordinated liabilities in accordance with section 64 (1) no. 13 BWG amounted to TEUR 9,608 in 2025 (2024: TEUR 9,215).

The disclosure in accordance with section 64 (1) no. 15 BWG can be found in note (57). The Bank maintains a small trading portfolio within the meaning of Article 94 CRR in order to provide better customer service. Investment funds amounting to TEUR 147 were included in the trading book as at 31 December 2025 (2024: TEUR 148).

The disclosure in accordance with section 64 (1) no. 16 and no. 17 BWG on the breakdown of core capital, supplementary own funds and consolidated own funds can be found in notes (28) and (53).

The financial information and key figures for each country of establishment pursuant to section 64 (1) no. 18 BWG are disclosed in the following table.

TEUR 2024	Austria	Switzerland	Italy
Net interest income	206,463	15,395	11,835
Dividend income	381	0	0
Net fee and commission income	37,957	1,062	-69
Net result from financial instruments at amortised cost	94	0	0
Net result from financial instruments at fair value	-3,162	554	0
Administrative expenses	-115,460	-9,392	-7,712
Depreciation and amortisation	-6,580	-520	-1,084
Earnings before taxes	47,776	6,521	3,761
Taxes on income	-13,068	-928	-1,612
Number of FTEs	685	30	46

TEUR 2025	Austria	Switzerland	Italy
Net interest income	184,593	13,871	10,691
Dividend income	273	0	0
Net fee and commission income	38,618	1,307	-91
Net result from financial instruments at amortised cost	227	-3	0
Net result from financial instruments at fair value	-15,642	654	0
Administrative expenses	-120,391	-9,943	-7,816
Depreciation and amortisation	-6,388	-531	-1,050
Earnings before taxes	61,428	6,088	3,000
Taxes on income	-15,367	-867	-1,034
Number of FTEs	709	35	45

Switzerland comprises the branch in St. Gallen. The branch in St. Gallen acts as a universal bank with a focus on lending, asset management and investment advisory services. It operates in German-speaking Switzerland, especially eastern Switzerland.

The branch in Italy comprises the subsidiaries Hypo Vorarlberg Holding (Italy) – G.m.b.H, Hypo Vorarlberg Leasing A.G. and Hypo Vorarlberg Immo Italia G.m.b.H. All of the companies are based in Bolzano. Hypo Vorarlberg Leasing A.G. operates in the real estate leasing business and occasionally in the movables leasing business. Hypo Vorarlberg Leasing A.G. also has a branch in Como. Its area of activity comprises South Tyrol and northern Italy. Hypo Vorarlberg Immo Italia G.m.b.H. manages and values the Group's real estate in Italy and provides real estate services for the Group. In addition, Hypo Vorarlberg Immo Italia G.m.b.H. manages and sells real estate in its own right. Hypo Vorarlberg Holding (Italy) – G.m.b.H. holds the equity interests in the other two companies.

The return on assets in accordance with section 64 (1) no. 19 BWG amounts to 0.35% (2024: 0.27%).

(56) AUDITOR'S FEE PURSUANT TO THE AUSTRIAN COMMERCIAL CODE

The table below provides a breakdown of the fees paid to Ernst & Young, Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Str. 19 – IZD Tower, 1220 Vienna, Austria, pursuant to section 266 of the Austrian Commercial Code (UGB).

TEUR	2025	2024
Expenses for the audit of the consolidated financial statements	259	250
Expenses for other assurance services	98	118
Expenses for other services	23	40
Total fees	**380**	**408**

(57) DISCLOSURES ON STOCK EXCHANGE LISTING

A breakdown of securities pursuant to section 64 (1) no. 10 and no. 11 BWG is provided below.

TEUR	Unlisted 31.12.2025	Listed 31.12.2025	Unlisted 31.12.2024	Listed 31.12.2024	Total 31.12.2025	Total 31.12.2024
Debt securities at fair value (non-SPPI)	61,997	37,638	83,676	50,890	99,635	134,566
Debt securities at fair value (option)	7,836	10,319	7,897	51,172	18,155	59,069
Debt securities at amortised cost	164,157	2,562,753	158,634	2,335,638	2,726,910	2,494,272
Equity securities – trading assets	3	144	2	146	147	148
Equity securities at fair value (non-SPPI)	15,495	500	17,309	500	15,995	17,809
Total securities	**249,488**	**2,611,354**	**267,518**	**2,438,346**	**2,860,842**	**2,705,864**
of which non-current assets	249,312	2,611,210	267,344	2,438,200	2,860,522	2,705,544
of which current assets	173	0	172	0	173	172
of which trading assets	3	144	2	146	147	148

Loans and advances were not taken into account in order to improve the transparency and informational value of the breakdown of securities.

The difference between the cost and the lower repayment amount in accordance with section 56 (2) BWG amounts to TEUR 15,939 (2024: TEUR 21,002). The difference between the repayment amount and the lower cost in accordance with section 56 (3) BWG amounts to TEUR 11,791 (2024: TEUR 9,923). The prior-year figures have been restated due to the change in calculation from existing premium/discount amounts to future premium/discount amounts. As at 31 December 2025, the subordinated capital in the Bank's proprietary portfolio had a nominal value of TEUR 131 (2024: TEUR 0).

(58) SUBSIDIARIES AND HOLDINGS NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The following subsidiaries were not included in the consolidated financial statements as they are of minor importance to the informational value of the consolidated financial statements, both when considered individually and when taken together. In most cases, these companies are project companies which do not undertake business operations and which are instead responsible for the realisation of individual assets.

Company name, place TEUR	Equity interest	UGB shareholders' equity	UGB net profit/loss	UGB total assets	Reporting date
HV-Finanzdienstleistungs- und Immobilien GmbH in Liqu., Kempten (Ger-	100.00%	231	-8	238	31.12.2025
Hotel Widderstein Besitz & Verwaltungs GmbH, Dornbirn	100.00%	-25	-28	266	31.12.2025
Total		**206**	**-36**	**504**	

The following holding over which the Group has significant influence is not included in the consolidated financial statements as its inclusion would result in a disproportionate delay in the preparation of the consolidated financial statements. Furthermore, the IFRS provisions would require a reconciliation that would involve relatively high costs without significantly increasing the information value regarding the net assets, financial position and results of operations.

Company name, place TEUR	Equity interest	UGB shareholders' equity	UGB net profit/loss	UGB total assets	Reporting date
„Wirtschafts-Standort Vorarlberg" Betriebsansiedlungs GmbH, Dornbirn	33.33%	37	0	929	31.12.2025

I. EXECUTIVE BODIES OF HYPO VORARLBERG

MANAGING BOARD

Michel Haller
Chairman of the Managing Board, Tettnang

Wilfried Amann (until 30 April 2025)
Member of the Managing Board, Bludesch

Philipp Hämmerle
Member of the Managing Board, Lustenau

Stephan Sausgruber (from 1 May 2025)
Member of the Managing Board, Höchst

SUPERVISORY BOARD

Jodok Simma (until 23 May 2025)
Chairman, Chairman of the Managing Board (retired), Bregenz

Alfred Geismayr
Chairman (from 23 May 2025), Deputy Chairman (from 23 May 2025)
Chartered Accountant and Tax Advisor, Dornbirn

Eduard Fischer
Deputy Chairman (from 23 May 2025)
Member of the Supervisory Board (until 23 May 2025)
Managing Director of Offsetdruckerei Schwarzach Gesellschaft mbH (retired), Dornbirn

Astrid Bischof
Entrepreneur, Göfis

Karl Fenkart
Civil servant, Lustenau

Johannes Heinloth
Member of the Board of Managing Directors of L-Bank, Karlsruhe

Karl Manfred Lochner
Member of the Board of Managing Directors of Landesbank Baden-Württemberg (LBBW) (retired), Burgthann

Karlheinz Rüdisser (until 23 May 2025)
Deputy State Governor of Vorarlberg (retired), Lauterach

Birgit Sonnbichler
Entrepreneur, Dornbirn

Petra Winder
Managing Director, Bregenz

Veronika Moosbrugger
Chairwoman of the Works Council, Works Council delegate

Elmar Köck
Works Council delegate

Gerhard Köhle
Works Council delegate

Peter Niksic (until 23 May 2025)
Works Council delegate

Judith Österle
Works Council delegate

J. SUBSIDIARIES AND HOLDINGS

a) Fully consolidated companies:

Company name, place	Equity interest	Reporting date
Hypo Vorarlberg Bank AG, Bregenz		31.12.2025
"Hypo-Rent" Leasing- und Beteiligungsgesellschaft mbH, Bregenz	100.00%	31.12.2025
LD-Leasing GmbH, Dornbirn	100.00%	31.12.2025
Hypo Vorarlberg Leasing A.G., Bolzano (Italy)	100.00%	31.12.2025
Hypo Vorarlberg Holding(Italien) – G.m.b.H., Bolzano (Italy)	100.00%	31.12.2025
Hypo Vorarlberg Immo Italia G.m.b.H., Bolzano (Italy)	100.00%	31.12.2025
VKL VI PBZ Korneuburg Leasinggesellschaft m.b.H., Dornbirn	100.00%	31.12.2025
Hypo Immobilien Besitz GmbH, Dornbirn	100.00%	31.12.2025
"HERA" Grundstücksverwaltungsgesellschaft m.b.H., Dornbirn	100.00%	31.12.2025
Hypo Immobilien Bankgebäudemanagement GmbH, Dornbirn	100.00%	31.12.2025
Hypo Immobilien Investment GmbH, Dornbirn	100.00%	31.12.2025
Hypo Immobilien & Leasing GmbH, Dornbirn	100.00%	31.12.2025
HIL Mobilienleasing GmbH & Co KG, Dornbirn	100.00%	31.12.2025
HIL Immobilien GmbH, Dornbirn	100.00%	31.12.2025
HIL BETA Mobilienverwertung GmbH, Dornbirn	100.00%	31.12.2025
HIL Baumarkt Triester Straße Immobilienleasing GmbH, Dornbirn	100.00%	31.12.2025
HIL Real Estate alpha GmbH, Dornbirn	100.00%	31.12.2025
HIL Kommunalleasing GmbH, Dornbirn	100.00%	31.12.2025
"POSEIDON" Grundstücksverwaltungsgesellschaft m.b.H., Dornbirn	100.00%	31.12.2025
Hypo Immobilien Cinemabetriebs GmbH, Dornbirn	100.00%	31.12.2025
Edeltraut Lampe GmbH & Co KG, Dornbirn	100.00%	31.12.2025
D. TSCHERNE Gesellschaft m.b.H., Vienna	100.00%	31.12.2025
VKL IV Leasinggesellschaft mbH, Dornbirn	100.00%	31.12.2025
VKL V Immobilien Leasinggesellschaft m.b.H., Dornbirn	100.00%	31.12.2025
HYPO EQUITY Beteiligungs GmbH in Liqu., Bregenz (previously: HYPO EQUITY Beteiligungs AG)	100.00%	31.12.2025
KUFA GmbH, Bregenz	100.00%	31.12.2025
HI Copa Immobilien GmbH, Dornbirn	100.00%	31.12.2025
"HSL-Lindner" Traktorenleasing GmbH, Dornbirn	76.00%	31.12.2025

Changes in the scope of consolidation are described in note (2). The stated equity interests in the other companies listed in the above table did not change in the 2025 financial year. The share of voting rights corresponds to the equity interest in each case.

b) Companies consolidated using the equity method:
The equity interests in the companies listed in the following table did not change in the 2025 financial year. The share of voting rights corresponds to the equity interest in each case.

Company name, place TEUR	Equity interest	Shareholders' equity	Total assets	Liabilities	Revenue
comit Versicherungsmakler GmbH, Dornbirn	40.00%	5,733	7,216	1,483	70
MASTERINVEST Kapitalanlage GmbH, Vienna	37.50%	5,154	9,902	4,748	91

comit Versicherungsmakler GmbH is a financial services company that provides consulting and support for industrial, commercial and private customers on insurance matters and insurance solutions. The business activities of MASTERINVEST Kapitalanlage GmbH include the management of capital investment funds in accordance with the Austrian Investment Fund Act.

All companies included in the consolidated financial statements using the equity method are based on single-entity financial statements as at 31 December 2025. The net interest income of these companies is presented under revenue.

c) Differing scope of consolidation according to CRR
The regulatory scope of consolidation differs from the IFRS scope of consolidation presented above as follows. The following companies are included in the regulatory scope of consolidation using the equity method in accordance with section 6 (1) of the currently applicable version of the CRR Supplementary Regulation 2021 (CRR-BV 2021):

- comit Versicherungsmakler GmbH
- MASTERINVEST Kapitalanlage GmbH

(59) DISCLOSURES ON NON-CONTROLLING INTERESTS

Non-controlling interests are held in "HSL-Lindner" Traktorenleasing GmbH, Dornbirn. The financial information for this company is presented in the table below.

"HSL-Lindner" Traktorenleasing GmbH, Dornbirn

TEUR	31.12.2025	31.12.2024
Assets	6,701	5,629
Financial assets	6,641	5,626
of which current	4,973	902
of which non-current	1,668	4,724
Other assets	60	3
Liabilities	6,494	5,432
Financial liabilities	6,431	5,355
of which non-current	6,017	5,355
Other liabilities	61	77
Shareholders' equity	207	197
of which non-controlling interests	50	47

TEUR	2025	2024
Net interest income	136	64
Other income	991	466
Other expenses	-990	-465
Earnings before taxes	130	88
Taxes on income	-30	-20
Earnings after taxes	100	68
of which non-controlling interests	24	16
Dividends/distributions	90	0
of which non-controlling interests	22	0

(60) DISCLOSURES ON JOINT VENTURES AND ASSOCIATES

comit Versicherungsmakler GmbH, Dornbirn

TEUR	31.12.2025	31.12.2024
Assets	7,216	6,898
Financial assets	4,147	4,098
of which current	3,397	3,598
of which non-current	750	500
Other assets	3,069	2,800
Liabilities	1,483	1,558
Financial liabilities	315	394
of which current	315	394
Provisions	315	332
Other liabilities	853	832
Shareholders' equity	5,733	5,340

TEUR	2025	2024
Net interest income	70	81
Other income	32	19
Other expenses	-51	-45
Earnings before taxes	1,168	1,278
Taxes on income	-275	-314
Earnings after taxes	893	964
Dividends/distributions	500	500

MASTERINVEST Kapitalanlage GmbH, Vienna

TEUR	31.12.2025	31.12.2024
Assets	9,902	9,722
Financial assets	6,749	6,393
of which current	4,109	3,778
of which non-current	2,640	2,615
Other assets	3,153	3,329
Liabilities	4,748	4,684
Financial liabilities	3,259	2,868
of which current	3,259	2,868
Provisions	232	199
Other liabilities	1,257	1,617
Shareholders' equity	5,154	5,038

TEUR	2025	2024
Net interest income	91	112
Dividend income	14	21
Other income	1,312	1,466
Other expenses	-1,029	-1,277
Earnings before taxes	1,349	1,188
Taxes on income	-305	-285
Earnings after taxes	1,044	903
Dividends/distributions	928	770

K. DECLARATION OF THE MANAGING BOARD

We confirm that, to the best of our knowledge, the consolidated financial statements prepared in accordance with applicable accounting standards provide a true and fair view of the Group's assets and liabilities, financial position, and results of operations, and that the Group management report presents business events, business results and the Group's position so as to provide a true and fair view of the Group's assets and liabilities, financial position, and results of operations, and that the Group management report outlines the principal risks and uncertainties to which the Group is exposed.

We confirm that, to the best of our knowledge, the parent company's financial statements prepared in accordance with applicable accounting standards provide a true and fair view of the parent company's assets and liabilities, financial position, and results of operations, and that the management report presents business events, business results and the parent company's position so as to provide a true and fair view of its assets and liabilities, financial position, and results of operations, and that the management report outlines the principal risks and uncertainties to which the parent company is exposed.

Bregenz, 30 March 2026

Hypo Vorarlberg Bank AG

The Managing Board

Michel Haller
Chairman of the Managing Board

Risk Management

Philipp Hämmerle
Member of the Managing Board

Organisation, IT and Finance

Stephan Sausgruber
Member of the Managing Board

Corporate/Private Customers Sales

REPORT
OF THE SUPERVISORY BOARD

The management by the Managing Board was continuously monitored by the Supervisory Board within the framework stipulated by the law, the Articles of Association and the Rules of Procedure for the Supervisory Board. At five regular meetings, the Supervisory Board discussed the Managing Board's reports on major projects and relevant events and on the position and development of the Bank and its holdings. It approved the planning and strategies for the 2025 and 2026 financial years, taking account of the Bank's strategic alignment as mutually agreed by the Supervisory Board and the Managing Board, and adopted the necessary resolutions.

The first half of the year was dominated by an audit by the Vorarlberg State Court of Audit. The Supervisory Board was and continues to be continuously informed about the processing and implementation of the resulting findings for Hypo Vorarlberg Bank AG. At the same time, a new appointment to the Managing Board was required due to the retirement of Wilfried Amann. The preceding search for a new member was conducted by the Supervisory Board and the Nomination Committee with external support. The Managing Board was completed again with the appointment of Stephan Sausgruber. The size of the Supervisory Board was reduced with the departure of Jodok Simma and Karlheinz Rüdisser.

In economically challenging times in particular, it is also important for us as a Bank to scrutinise our own market positioning, the competitiveness of the services we offer and the overall competitive situation and to adapt or realign our market presence as required. To this end, a strategy project has been initiated with an external management consultant with a view to examining and enhancing the Bank's future competitiveness. Specific measures will be implemented over the course of the coming year.

Supervisory Board committees
In 2025, the Audit Committee met three times and performed its control tasks of monitoring the effectiveness of the internal control system, the risk management system for the Bank as a whole, and internal auditing. The Audit Committee reviewed the financial reporting in the annual and quarterly financial statements as well as the non-financial reporting. The Supervisory Board acknowledged and approved the reports submitted.

The Risk Committee held two meetings in 2025. Among other matters, it conducted the review of the restructuring plan and advised the Managing Board with regard to the current and future risk appetite and risk strategy.

The Credit Committee held eleven meetings in 2025. It examined the loans and advances requiring its approval. In addition, the main aspects of the credit policy were coordinated with the Credit Committee. In the area of lending policy, one particular focal point was a reduction in individual large exposures. All lending decisions were discussed and the corresponding resolutions were passed.

The Remuneration Committee performed its tasks in accordance with section 39c of the Austrian Banking Act (BWG) and met twice in 2025.

The Nomination Committee met four times in 2025 (two regular meetings and two extraordinary meetings) and performed its tasks in accordance with section 29 BWG. The activities of the Nomination Committee focused on identifying qualified candidates to take over the mandate of the Chairman of the Managing Board, Michel Haller, which expires at the end of 2026. Here, too, the advertisement and selection process was supported by an external recruitment consultant. Corresponding proposals for nominations to fill the vacant position on the Managing Board were submitted to the Supervisory Board.

Corporate Governance Code
After reviewing them and discussing them with the Managing Board, the Supervisory Board approved the transactions presented to it that required approval in accordance with the law, the Articles of Association and the Rules of Procedure for the Managing Board. The Supervisory Board used the Corporate Governance Code as a guideline for its work.

Audit
The 2025 annual financial statements and the management report have been audited by the auditor appointed by the Annual General Meeting, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna. According to the unqualified audit certificate issued by this company, the annual financial statements and the management report comply with the legal regulations. The 2025 consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. They have also been audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, and issued with an unqualified audit certificate. Following extensive discussion, the Supervisory Board will adopt the corresponding formal resolutions.

Thanks and appreciation
The Supervisory Board wishes to thank the Managing Board members, the managers and all employees for their hard work in the challenging 2025 financial year.

Bregenz, February 2026

Chairman of the Supervisory Board
Alfred Geismayr

AUDITOR'S REPORT *

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS – AUDIT OPINION

We have audited the consolidated financial statements of

Hypo Vorarlberg Bank AG, Bregenz,

and of its subsidiaries (the Group) comprising the consolidated balance sheet as of December 31, 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2025 and its financial performance for the year then ended in accordance with the International Financial Reporting Standards as adopted by EU (IFRS), and the additional requirements under Section 245a Austrian Company Code UGB and Section 59a Austrian Banking Act BWG.

Basis for opinion
We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In the following, we describe the key audit matters from our perspective:

1. Valuation allowances for financial assets at amortized cost

2. Fair Values of financial instruments, that are categorized in the level 3 hierarchy

1. VALUATION ALLOWANCES FOR FINANCIAL ASSETS AT AMORTIZED COST

<u>Description</u>:
As at December 31, 2025, the group reports loans and advances to customers presented under "Financial Assets at Amortised Cost" in its consolidated financial statements in the amount of MEUR 10,768. To take account of loss risks, the group recognises significant loss allowances of MEUR 113.

The Management Board describes the process for the determination and recognition of loss allowances of the group in the notes to the consolidated financial statements in section "C. Notes to the balance sheet" under the chapter "Impairment of financial assets".

The classification into stages developed by the group and the key assumptions underlying such classification are critical for determining the amount of loss allowances, in particular for assessing a significant increase in credit risk (Stage 2) and the occurrence of default events (existence of objective evidence of impairment – Stage 3).

For significant Stage 3 exposures, individual loss allowances are determined in an amount equal to the difference between the carrying amount and the present value of the expected future cash flows, taking into account recoverable discounted collateral.

For non-significant Stage 3 exposures as well as loan exposures in Stages 1 and 2, portfolio loss allowances are recognized depending on their respective risk profile, which are calculated on the basis of a 12-month expected credit loss for Stage 1 and on the basis of a lifetime expected credit loss for Stages 2 and 3.

The determination of the amount of loss allowances involves significant judgement due to the assumptions and estimates applied. Accordingly, we have identified this area as a key audit matter.

<u>How we addressed the matter in the context of the audit:</u>
We obtained an understanding of the key processes for the origination of loans as well as for the credit monitoring and loss allowance recognition of customer loans and assessed whether these processes are designed to identify credit defaults and to appropriately reflect the recoverability of financial assets at amortised cost.

We identified the key controls related to loan origination, credit monitoring and the recognition of loss allowances and tested these controls on a selective basis.

Based on a sample of loans, we examined whether indicators of credit defaults existed.

For significant Stage 3 exposures, we examined, on a sample basis, the coherence and consistency of the Bank's estimates regarding the timing and amount of the assumed recoveries.

For all other exposures, for which loss allowances were calculated on the basis of statistical assumptions and historical experience regarding the future risk profile, we assessed whether the model and the parameters applied therein are appropriate to determine loss allowances in an adequate amount. We recalculated the loss allowances on a sample basis to verify their arithmetical accuracy.

Furthermore, we reviewed whether the disclosures provided by the group's Management Board in the notes to the consolidated financial statements are complete and accurate.

2. FAIR VALUES OF FINANCIAL INSTRUMENTS, THAT ARE CATEGORIZED IN THE LEVEL 3 HIERARCHY

Description:
In its consolidated financial statements as at December 31, 2025, the group recognizes a significant amount of financial instruments measured at fair value level 3 hierarchy. The carrying amounts of these financial instruments as at December 31, 2025, were assets of MEUR 762 and liabilities of MEUR 382.

In this context, please refer to the disclosures by the group's Managing Board in the notes to the consolidated financial statements, specifically in note (42) "Disclosures on fair values".

The valuation of these financial instruments requires the fair value to be determined using recognized valuation models and methods, as no market or stock exchange prices are available in an active market.

In the case of valuation using recognized valuation models, the selection of these valuation models and methods, the input parameters used and the associated judgments, which are subject to estimation uncertainties, are of decisive importance for determining the fair value to be recognized.

Based on the fact that the financial instruments assigned to level 3 of the fair value hierarchy account for a significant portion of the group's total assets and that estimation uncertainties may arise with regard to the relevant input parameters for their measurement, we identified this area as a key audit matter.

How we addressed the matter in the audit:
We documented the valuation process and the design of the Group's key controls with regard to the input parameters for the measurement of financial instruments assigned to level 3 of the fair value hierarchy.

Based on a random sample, we traced their assignment by the group to level 3 of the fair value hierarchy. We also assessed the assumptions and methods used by the group's Managing Board to ascertain whether they were suitable for determining correct values. The measurement results were reproduced using our own calculations with the involvement of internal specialists at EY and their valuation was evaluated.

In addition, we examined whether the disclosures by the group's Managing Board in the notes were complete and accurate.

Other information
The management is responsible for the other information. The other information comprises all information in the annual report except for the consolidated financial statements, the Group Management report and the audit certificate. The annual report is expected to be provided to us after the date of the audit certificate.

Our audit opinion on the consolidated financial statements does not cover this other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, as soon as it is available, and, in doing so, to consider whether - based on our knowledge obtained in the audit - the other information is materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Responsibilities of the legal representatives and the Audit Committee for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the EU and the additional requirements of Section 245a UGB and Section 59a BWG. Furthermore, management is responsible for such internal control as management determines it necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation and Austrian Standards on Auditing, which require the application of ISAs, will always detect a material misstatement, if any. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and Austrian Generally Accepted Auditing Standards, which require the application of ISAs, we exercise professional judgment and maintain a critical attitude throughout the audit.

We also:
- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are in adequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent

the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Comments on the Group management report
Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles and banking regulatory requirements.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion
In our opinion, the management report for the Group was prepared in accordance with the applicable legal requirements, contains accurate information in accordance with Section 243a UGB and is consistent with the consolidated financial statements.

Statement
Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional disclosures in accordance with Article 10 of the EU Regulation
We were elected as auditor by the annual general meeting on May 29, 2024. We were engaged by the supervisory board on June 20, 2024. In addition, we were elected as auditor by the annual general meeting on May 23, 2025 for the following financial year and were engaged by the supervisory board on July 21, 2025 to audit the consolidated financial statements. We have been the auditor without interruption since 2010.

We confirm that the audit opinion in the section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant
The engagement partner is Mr. Roland Unterweger, Certified Public Accountant.

Vienna, 30 March 2026

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Andrea Stippl eh
Austrian Certified Public Accountant

Roland Unterweger eh
Austrian Certified Public Accountant

* This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

BRANCHES AND CONTACT

BRANCH OFFICES
AND SUBSIDIARIES

HEADQUARTERS

Bregenz, Headquarters
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Bregenz Corporate Customers Branch Office
Simon Ruff
Branch Office Head, Bregenz Corporate Customers

Branch Corporate Customers Germany
Markus Schmid

Bregenz Private Customers Branch Office
Stefan Schmitt Branch Manager, Bregenz Private Customers

Stephan Spies
Head of Service and Private Customers

Stephan Bohle
Head of Private Banking

Alexander Walterskirchen
Head of Private Loans

INTERNAL DEPARTMENTS

David Blum
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Klaus Diem
Head of Legal Department

Bernhard Egger
Head of Finance

Susanne Fünck
Head of Sustainability

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Head of Credit Management Corporate Customers

Florian Gorbach
Head of Treasury

Martin Heinzle
Head of Credit Management Private Customers

Bianca Dünser
Head of Human Resources

Ferdinand Gabriel
Head of IT GRC

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Head of Controlling

Martha Huster
Ombudsperson

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Head of Compliance & Outsourcing

Johannes Lutz
Jörg Ruwe
Head of IT

Stephan Modler
Head of Sales Support

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Daniel Oberauer
Data Protection Officer

Wilhelm Oberhauser
Head of Logistics

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Christoph Schwaninger
Head of Corporate and Internal Audit

Egmont Schwärzler
Head of Participation Administration

Markus Seeger
Head of Group Risk Controlling

Karl-Heinz Strube
Head of Asset Management

Johannes Tschanhenz
Head of Mid- and Backoffice Funds, Securities and Derivatives

BRANCHES

Bludenz, Am Postplatz 2
Martin Flachsmann, Branch Office Head and Head of Corporate Customers
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Christoph Gebhard, Head of Private Banking

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Egon Gunz, Branch Office Head Private Customers and Head of Private Banking
Simone Küng, Head of Service and Private Customers

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Daniel Gerhold, Deputy Regional Manager Styria
Gerhard Vollmann, Head of Private Customers and Private Banking

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Klaus Meusburger, Branch Office Manager

Hohenems, Bahnhofstraße 19
Andreas Fend, Branch Office Head

Lech, Dorf 138
Michael Fritz,
Branch Office Head and Head of Private Customers

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Graham Fitz, Branch Office Head and Head of Corporate Customers
Stefan Ritter, Branch Office Head Private Customers
Melanie Greif, Head of Service and Private Customers

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Josef Wirth, Head of Service and Private Customers

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Peter Gassner, Regional Manager Salzburg

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Hans-Jürgen Spitzer,
Head of Corporate Customers Vienna
Robert Glasner, Head of Private and Commercial Customers
Katharina Jantschgi, Head of Private Customers and Private Banking
Christine Allmrodt, Head of Service Customers

REGIONAL HEAD OFFICE

St. Gallen, Switzerland, Bankgasse 1
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Thomas Reich, Head of Back Office

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Dornbirn, Poststraße 11
Wolfgang Bösch, Managing Director
Peter Scholz, Managing Director

comit Versicherungsmakler GmbH
Dornbirn, Poststraße 11

MASTERINVEST Kapitalanlage GmbH
Vienna, Landstraße 1, Top 27

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Como, Via F.lli Rosselli 14
Michael Meyer, Delegate of the Board of Directors

Hypo Vorarlberg Immo Italia GmbH
Bolzano, Galileo-Galilei-Straße 10 H
Alexander Ploner, Delegate of the Board of Directors

ALWAYS CLOSE BY
LOCATIONS AND BRANCHES

In addition to our branches in Vorarlberg, we also have locations in Austria's major economic regions and in eastern Switzerland. This allows us, on the one hand, to serve our customers even beyond national borders and, on the other hand, to convince even more people in person of the quality of our services.

Hypo Vorarlberg – your personal advice in Vorarlberg, Vienna, Graz, Wels, Salzburg and St. Gallen (CH).

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Gendered language:
Gender-specific terms used in this report refer equally to women and men.