



Wüstenrot Bausparkasse AG



Investor presentation
September 2023

agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary
Annex

1. The Wüstenrot Bausparkasse AG – Part of W&W-Group

W&W – Leading banking and insurance group in Germany

2

Home loan savings

10

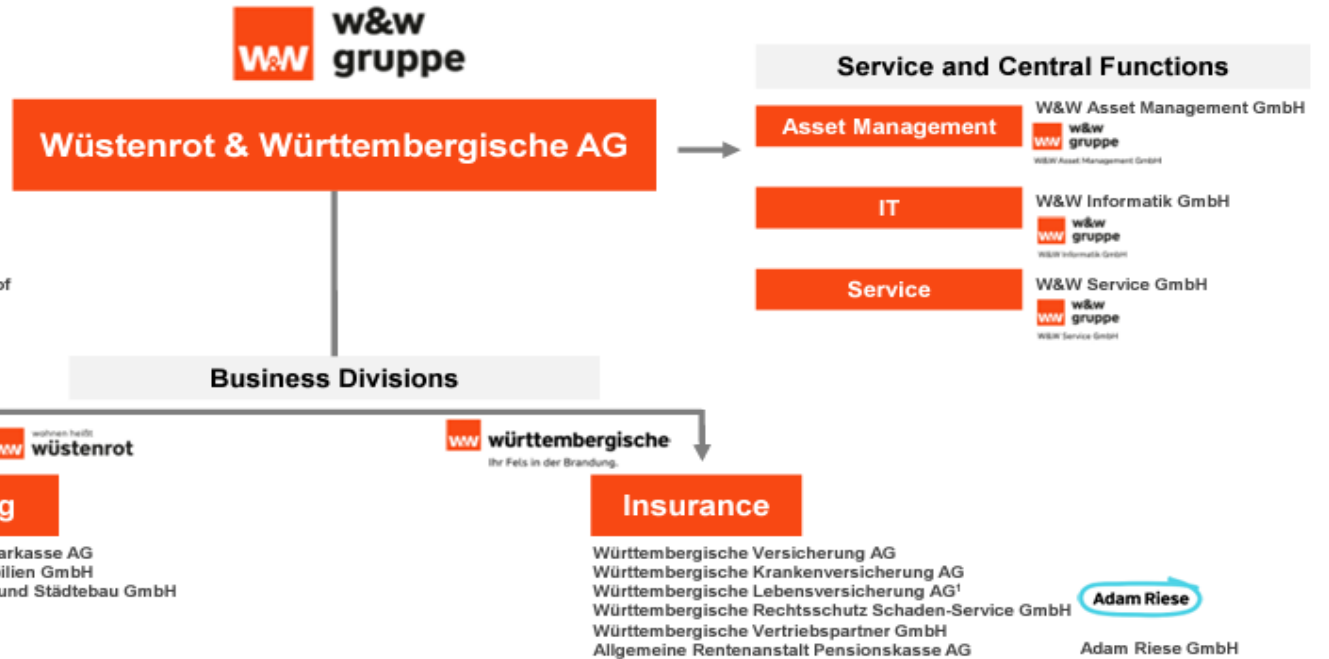
Property & Casualty Insurance

12

Life Insurance

W&W Group structure

Shareholder Structure W&W AG in %



- 6.5 million customers
- 6,500 employees
- 6,000 sales agents

- Germany is the core market
- Wide network of cooperation and partner sales as well as broker and direct activities

Notes: 1) 94,98% stake in Württembergische Lebensversicherung AG

1. The Wüstenrot Bausparkasse AG – Part of W&W-Group

Positioning of Wüstenrot

Wüstenrot is the specialist for housing financing in the W&W Group
Housing means Wüstenrot

1921 Foundation of the „Gemeinschaft der Freunde“ in Wüstenrot, Germany,
The predecessor of the first home loan and savings bank in Germany

1968 Foundation of the Wüstenrot Bank

1999 Merger of Wüstenrot and Württembergische to form
Wüstenrot & Württembergische AG

2001 Merger of Wüstenrot Bausparkasse AG and Leonberger
Bausparkasse AG

2006 Fundamental restructuring and strategic realignment
of the W&W Group

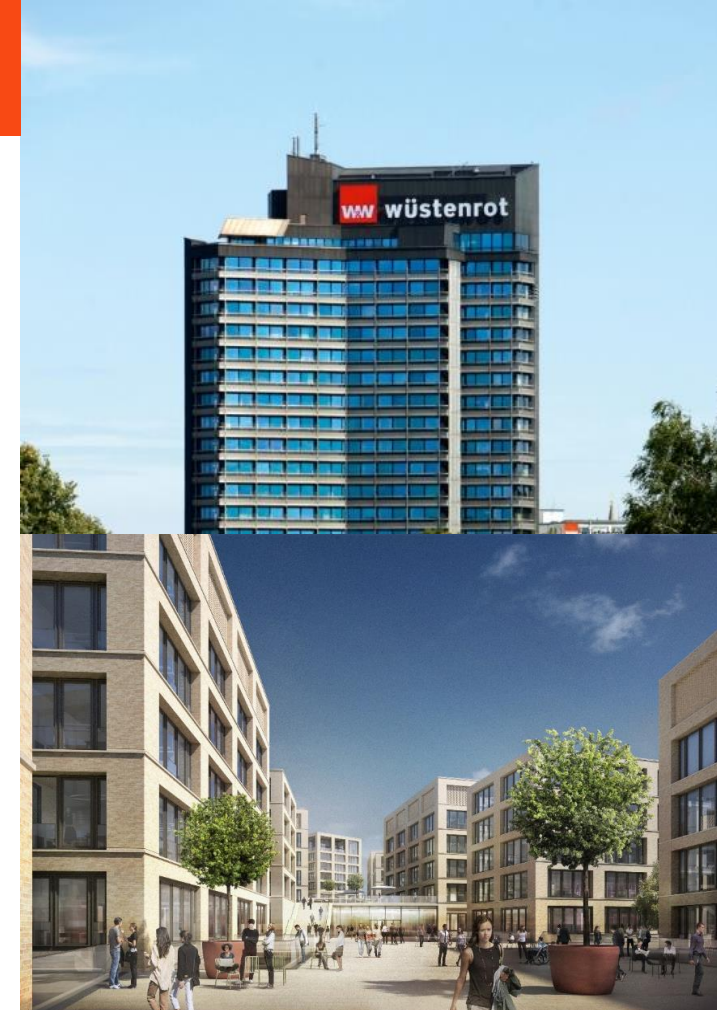
2009 Takeover of Vereinsbank Victoria Bauspar AG

2010 Takeover of Allianz Dresdner Bauspar AG

2018 Takeover of Aachener Bausparkasse AG

2022

- New home loan savings business EUR **18.7** bn
- Market Share **16.1%** (gross-new business)
- New construction financing business EUR **6.5** bn
- Ranked **2** among the German home loan and savings banks



We are the segment housing in the W&W group

No matter how great the challenges surrounding housing are, we are passionately committed to our customers. Because for us, housing means helping each individual to fulfill their dream.

Or in short: **housing means Wüstenrot.**

Home loan savings

- ✓ As the inventor of home loan savings, Wüstenrot offers the right product for every target group.

Building finance

- ✓ Wüstenrot scores with a comprehensive and needs-oriented building financing offer.

Real estate & services

- ✓ Wüstenrot is broadly positioned here: With residential construction, urban development, real estate management, project development and real estate brokerage.

1. The Wüstenrot Bausparkasse AG – Part of W&W Group

Potential customer reach from all distribution channels

Access to over
55 million
potential clients

AO

wohnen heißt
wüstenrot

württembergische
Ihr Fels in der Brandung.

Cooperations

Allianz

COMMERZBANK

HypoVereinsbank
Member of UniCredit

ERGO

HUK-COBURG
Aus Tradition günstig

ARAG

Gothaer

OVB

MERKUR
PRIVATBANK

Europace

interhyp

DLB
BANK

Cura
VERSICHERUNGSVERMITTLUNG

MLP
Finanzen verstehen. Richtig entscheiden.

NÜRNBERGER
VERSICHERUNG

Barmenia
EINFACH. MENSCHLICH.

württembergische
Ihr Fels in der Brandung.

HORBACH

LVM
VERSICHERUNG

CreditPlus

Santander

Oberbank
3 Banken Gruppe

PROVENTUS

VPV
Die Vorsorgepartner seit 1921

Mecklenburgische
VERSICHERUNGSGESELLSCHAFT MIT LICENZIERUNG

SwissLife
Select

DenizBank

FLESSABANK
BANKHAUS MAX FLESSA AG

unVersa
VERSICHERUNGEN

ver di

blau direkt

compexx
FINANZ

die Bayerische

DR. KLEIN
Die Partner für Ihre Finanzen.

fonds
finanz

PLANSECUR

TELIS FINANZ®
Aktiengesellschaft

MAKLER

prohyp

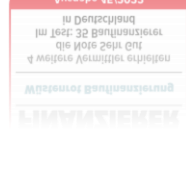
GW
Privatbank AG

VERITAS
Vermögensberatungs- und
Vermittlungs GmbH

dbb
vorsorgewerk
günstig • fair • nah

1. The Wüstenrot Bausparkasse AG – Part of W&W Group

Multiple award-winning product, advisory and service excellence



Residential construction with great long-term potential

New development

- ✓ Ambition level of the federal government: 400,000 flats p.a.

Portfolio

- ✓ 6 million single and two-family houses with year of construction 1949 to 1978

Energy

- ✓ 3 trillion euros investment required for the heat transition in existing buildings by 2045

Demography

- ✓ 2 million age-appropriate flats missing, 1 million flats additionally needed until 2040

Immigration

- ✓ 1.45 million people net immigration in 2022 and 300,000 net immigrants p.a. in the next few years

Households

- ✓ 320,000 households will demand additional living space in the coming years p.a. – 600,000 from Ukraine alone by 2025

Housing requirements

- ✓ Rising: Desire for home ownership, with higher energy standards and better infrastructure

Generation change

- ✓ Single- and two-family houses from the 1960s/1970s are increasingly coming onto the market. Opportunity for thorough modernisations

The desire for your own home



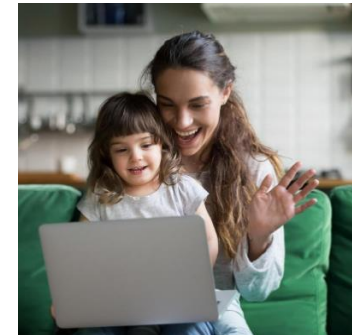
96%

of homeowners would opt for home ownership again today.



80%

of adults without their own property would prefer to live in home ownership.



87%

of young people would like to live in their own home by the age of 30.

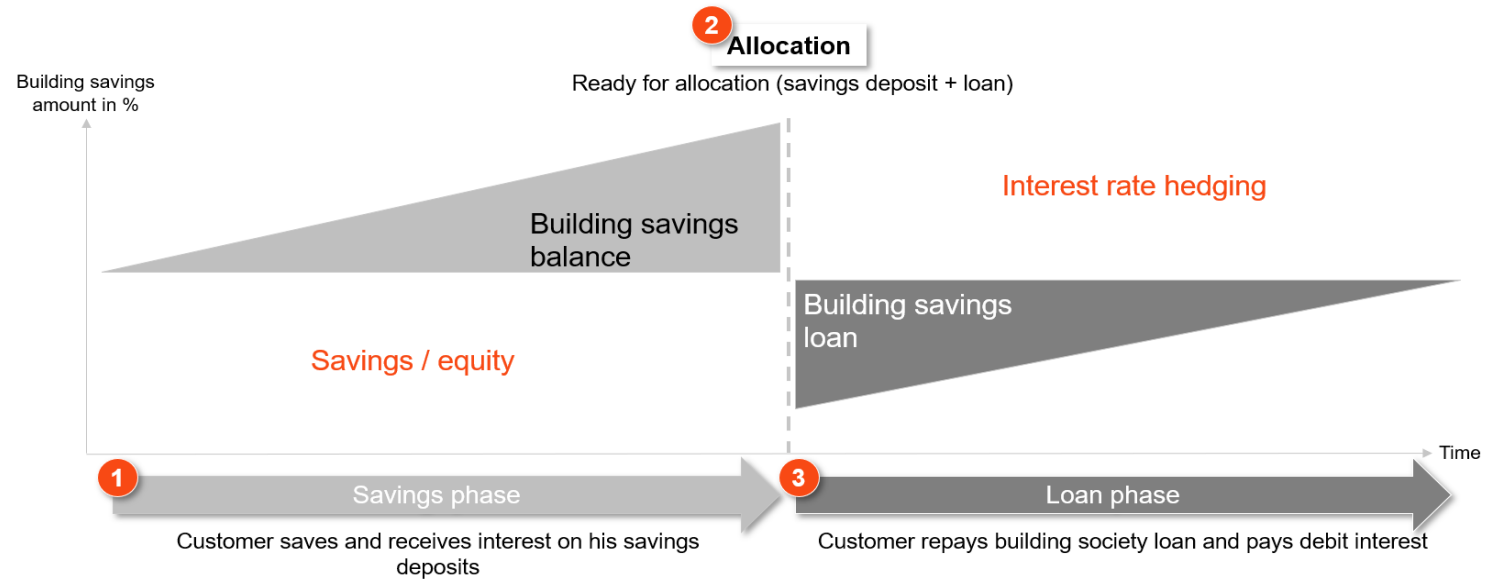


Quelle: Interhyp, GMA

Building up equity is essential for property purchases

What does building savings mean?

„ Building savings is targeted saving in order to obtain a low-interest loan for residential use. By concluding a building savings contract, the saver becomes a member of a special-purpose savings association. At the beginning, there is the savings phase, i.e. a payment by the saver in favour of the community. With this, the saver acquires the right to a later counterperformance in the form of the low-interest building loan. The funds for this come from the money accumulated by the saver, in particular the savings and redemption payments.“



Benefits of home loan / savings products

- Targeted **equity build-up** and **interest rate hedging**.
- With a building saving loan, free **unscheduled repayments** are possible, up to and including **free complete repayment**.
- Home loan and savings banks do **not require a risk premium for higher loan-to-value ratios**.
- Home loan and saving banks **waive the usual small loan surcharges**.
- Our clients can take advantage of various **government subsidies**.
- **Lending** also to **people** who would **not typically** get a loan.
- Refinancing via building savings collective independent of the capital market

Building savings with extremely positive media response



**Building savings -
Boom does not abate**

21.07.2023

Frankfurter Allgemeine

Building savings – why not?

13.06.2023

Capital

**Building savings : Tailwind
thanks to energy transition**

20.06.2023

Süddeutsche Zeitung

**Rising interest rates boost
home loan and savings
business**

03.05.2023

Capital

**Comeback of building
savings**

16.08.2023



**Why building savings is
suddenly in again**

24.06.2023

Hamburger Abendblatt

**Building savings „totally in“
again**

01.06.2023



1. The Wüstenrot Bausparkasse AG – Part of W&W Group

Wüstenrot offers supplementary financing for every need



New building or purchase

For customers who are currently buying or building a property housing loan "Classic", housing loan "Constant" 25 or 30 and the housing loan "Flex" (terms of 10 and 15 years). Also available in combination with KfW loans.



Modernisation

For customers who own a property and are carrying out a modernisation project housing loan "Plus" 20 or 50, the constant models with terms of 10 to 15 years or the housing loan "Turbo".



Follow-up financing

For customers who need follow-up financing housing loan "Classic", housing loan "Constant" with 25 or 30 year terms and the housing loan "Flex".

Also available as a forward loan. For smaller amounts, there is the "Turbo" housing loan.

Building savings and energy-efficient refurbishment subsidised by the state

Employee savings bonus

Wohn-Riester
– also for energy-efficient refurbishments from
2024 onwards

Housing premiums

Promotion of energy-efficient renovation



agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary
Annex

2. The Bausparkasse in figures

Key figures

| Balance sheet / profit and loss account (HGB) in EUR million | 31.12.2020 | 31.12.2021 | 31.12.2022 | 30.06.2023 | Development |
|---|---------------|---------------|---------------|---------------|-------------|
| Cash reserve and investments | 4 003 | 4 310 | 3 195 | 3 363 | 168 |
| Loans to credit institutions | 2 827 | 2 072 | 2 497 | 2 376 | - 121 |
| Loans to customers | 22 190 | 23 235 | 24 911 | 25 252 | 341 |
| Liabilities to credit institutions | 1 980 | 2 066 | 2 302 | 1 640 | - 662 |
| Liabilities to customers | 22 923 | 23 020 | 23 518 | 24 396 | 878 |
| Equity including funds for general banking risks | 1 184 | 1 207 | 1 278 | 1 298 | 20 |
| Balance sheet total | 29 195 | 29 705 | 30 711 | 31 110 | 399 |
| Net income after taxes | 30.1 | 30.3 | 33.0 | 20.2 | |
| Equity ratios | 31.12.2020 | 31.12.2021 | 31.12.2022 | 30.06.2023 | Development |
| Total capital ratio | 17.7% | 19.4% | 20.3% | 20.1% | -0.2% |
| Core capital ratio | 16.2% | 17.8% | 18.9% | 18.8% | -0.1% |
| Leverage ratio | 3.6% | 4.0% | 4.6% | 4.4% | -0.2% |

2. The Bausparkasse in figures

New business of Bausparkasse

| New home loan and savings business in EUR million | 31.12.2020 | 31.12.2021 | 31.12.2022 | 30.06.2023 |
|--|------------|------------|------------|------------|
| Gross new business (contract volume) | 12 561 | 11 745 | 18 720 | 10 833 |
| Net new business (contract volume) | 10 362 | 9 968 | 13 885 | 9 345 |
| New construction financing business in EUR million | 31.12.2020 | 31.12.2021 | 31.12.2022 | 30.06.2023 |
| New construction financing business in EUR million | 6 143 | 6 898 | 6 498 | 1 847 |
| Housing division, new construction financing business (in-house) | 4 144 | 4 572 | 4 795 | 1 398 |
| of which bridging loans / advance loans | 3 092 | 3 317 | 3 879 | 1 039 |
| of which WohnbauClassicDarlehen (formerly WID) | 1 052 | 1 255 | 916 | 359 |
| Total new business volume (Gross new business + total construction financing) in EUR million | 18 704 | 18 643 | 25 218 | 12 680 |

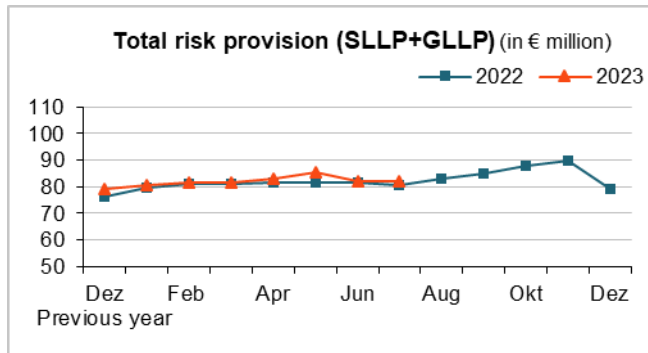
➤ The **gross** and **net new home loan savings business** continued to increase in the first half of 2023 benefited from the rise in interest rates. In terms of both gross and net new business, the best results in the company's history were achieved in the first half of 2023.

➤ The Wüstenrot Bausparkasse AG was unable to escape the industry trend in new mortgage business. Interest rates and price levels had a negative impact, also the uncertainty of energy policies and the uneven development on the real estate market. Taking into account referrals to the outside book, **new mortgage business** decreased by 54.3% to EUR 1.8 bn (previous year: EUR 4.0 bn). As the market developed similarly, Wüstenrot Bausparkasse AG was able to consolidate its market position.

2. The Bausparkasse in figures

Credit business

| Credit business portfolio in EURO million | 31.12.2020 | 31.12.2021 | 31.12.2022 | 30.06.2023 |
|---|------------|------------|------------|------------|
| Home loans | 1 543 | 1 421 | 1 581 | 1 519 |
| Bridging loans and advance loans | 13 978 | 15 126 | 16 839 | 17 402 |
| Mortgage loans | 5 646 | 5 810 | 5 673 | 5 668 |
| Money and capital investments | 4 003 | 4 310 | 3 195 | 3 363 |



The customer loan portfolio is of high quality and low risk. The share of individually impaired mortgage loans was slightly higher in the first half of 2023, but remained at a low level. The counterparty default risks are expected to continue at a low level.

| Total risk provision (SLLP+GLLB) | | | |
|---|-------------|-------------|-------------|
| in EUR million | | | |
| | 2022 | 05/2023 | 06/2023 |
| SLLP | 36.8 | 41.2 | 40.6 |
| GLLP | 42.3 | 44.0 | 41.3 |
| =Risk provision total | 79.1 | 85.3 | 81.9 |
| Share of SLLP-loans | 1.01% | 1.14% | 1.11% |

agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary
Annex

3. The Green Pfandbrief

The core of the Wüstenrot business model is already sustainably oriented



ENVIRONMENT

Energy-efficient residential construction and energy refurbishments

- Financing is mainly provided for **new properties** – with high **energy efficiency standards**.
- High investments for **modernisation projects** and **energy efficiency measures**.



SOCIAL

Home ownership for broad sections of the population

- **The government** supports **savings** and **capital accumulation** with **building savings** through **attractive subsidy offers**.
- In **old age**, **homeowners benefit from rent-free living**.
- Home loan and savings contracts are often used for **age-appropriate conversions**.



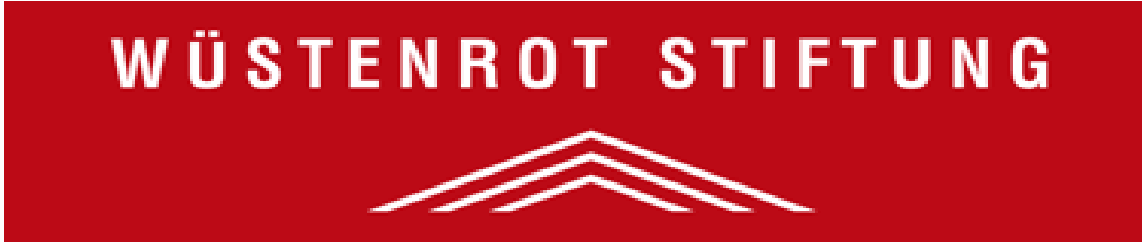
GOVERNANCE

Value-based business model and collective thought

- The **pool system** is based on the **principle of equal treatment** – business model closely relates to the **cooperative idea**.
- **Building savings contracts** as well as the **saving pool** (Bausparkollektiv) **are regulated by law**.

3. The Green Pfandbrief

Historically, we already have the right DNA ...



First home loan and savings bank in Germany
and the inventor of the home loans and savings



First private property insurance
Southern Germany's & first German pension insurance

- The **foundation concept** of our main owner as well as the regional anchoring are already the natural cornerstones of the W&W Group
- The W&W Group pursues a **long-term corporate strategy**, that is geared towards **stability**
- No short-term maximisation of shareholder value, the focus is on the **security** of dividends and jobs as well as the **social impact of the Group**
- Focusing the business model on comprehensive, holistic advice and long term support for clients, which includes all elements of personal provision for the future.

3. The Green Pfandbrief

The Green Product Line is introduced to the market

We offer taxonomy-compliant products to make climate-friendly living accessible to our customers.

Wohndarlehen Klima Turbo

for energy-efficient modernisation with interest rate benefit (21Bp) with a complete marketing package

since 2020

Advice and arrangement of KfW-loans within the framework of the BEG-program (Bundesförderung für effiziente Gebäude = Federal funding for efficient buildings)

- Comprehensive information for the client on energy subsidy programs
- Integration of KfW-loans or investment grants into the overall financing of the client

since 2021

Expansion of the product line to include the Klima Flex and Klima Classic home loan financing models as green variants

- Granting of an interest rate benefit (10Bp) compared to other financing with proof in accordance with Tax-VO (for example energy certificate)

since 2022

Home savings: Since February 2022, we also have been offering housing savings with a climate bonus of up to 300 euros to our customers .

since 2022

3. The Green Pfandbrief

Green bond principles as basis for our framework

Process for project evaluation and selection

- W&W-Green Bond Committee
 - Implementation of the framework, regular review and updating.
 - Definition of the classification criteria for green assets.
 - Collection of sustainability certificates and filing in the banking system
 - Assignment to the green mortgage portfolio.

Reporting

- Transparency through annual green bond investor report, consisting of the allocation and impact-reporting.



Use of proceeds

- Loan for construction, purchase or energetic refurbishment of energy-efficient residential buildings and commercial real estate, according to the the classification criteria for green building, are considered suitable assets.
- Proof of classification: Energy certificate or energy standard Top 15 %




Management of proceeds

- Control of net revenues at portfolio level.
- Issuance of green pfandbriefe always covered by sufficiently suitable assets in the mortgage cover pool.
- Continuous monitoring through control systems.



3. The Green Pfandbrief

Classification criteria for green buildings

| Eligible Green Asset Category | EU Environmental Objectives ³⁾ | SDGs ⁴⁾ |
|---|--|---|
| Green Buildings | Climate change mitigation: b) Improving energy efficiency |   |
|  Description and Eligibility Criteria for Green Buildings Residential and Commercial buildings (including existing buildings, renovated buildings and new constructions) that meet at least one of the following criteria: <ol style="list-style-type: none"> EPC-Label <ul style="list-style-type: none"> Residential buildings are within the Top 15% of the local market, if Energy Performance Certificate (EPC) in terms of Primary Energy Demand (PED) A+, A or B is reached. Energy consumption <ul style="list-style-type: none"> Residential buildings with a PED of 74 kWh/m²a or less represent the Top 15% of the local market. Renovation of existing Residential and Commercial buildings: The renovation complies with the requirements for major renovations or it leads to a reduction of PED of at least 30% in comparison to the performance of the building before renovation. German energy efficiency standards⁵⁾ <ul style="list-style-type: none"> Residential buildings complying with the Building Energy standard of EnEV 2009 or newer represent the Top 15% of the local market. Office or Retail buildings complying with the Building Energy standard of EnEV 2009 or newer represent the Top 15% of the local market. Logistics buildings complying with the Building Energy standard of EnEV 2014 or newer represent the Top 15% of the local market. Green Building Certification <ul style="list-style-type: none"> DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen) Gold or better LEED (Leadership in Energy and Environmental Design) Gold or better BREEAM (Building Research Establishment Environmental Assessment Method) Excellent or better | | |

- In alignment with overarching objectives as defined in Article 5 and 6 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020
- Sustainable Development Goals (“SDG”) adopted by the United Nations in 2015 (in alignment with the ICMA “Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2022 edition)
- The year of construction determined by an expert is used as proof. On November 1, 2020, the “Energieeinsparungsgesetz” (EnEG), the “Energieeinsparverordnung” (EnEV) and the “Erneuerbare-Energien-Wärmegesetz” (EEWärmeG) were replaced by the “Gebäudeenergiegesetz” (GEG). http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGBl&jumpTo=bgbl120s1728.pdf
- Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

3. The Green Pfandbrief

Impact reporting from Drees & Sommer (1)

| Low Carbon Buildings | Year of Issuance | Type | Signed Amount ^a | Share of Total Portfolio Financing ^b | Eligibility for green bonds ^c | Average portfolio lifetime ^d | Annual final energy savings ^e | Annual CO2 emissions avoidance ^f |
|----------------------------------|------------------|----------------------------|----------------------------|---|--|---|--|---|
| <i>Unit</i> | <i>[yyyy]</i> | <i>[-]</i> | <i>[EUR]</i> | <i>[%]</i> | <i>[%]</i> | <i>[years]</i> | <i>[MWh/year]</i> | <i>[tCO2/year]</i> |
| <i>Bausparkasse Wüstenrot AG</i> | <i>2023</i> | <i>Low Carbon Building</i> | <i>519.798.624</i> | <i>100,0</i> | <i>100</i> | <i>25,3</i> | <i>-208.359</i> | <i>-48.347</i> |
| Einfamilienhaus | 2023 | Low Carbon Building | 373.426.654 | 71,8 | 100 | 25,1 | -169.968 | -39.439 |
| Mehrfamilienhaus | 2023 | Low Carbon Building | 62.097.201 | 11,9 | 100 | 24,6 | -13.676 | -3.173 |
| Wohnung | 2023 | Low Carbon Building | 84.274.769 | 16,2 | 100 | 26,4 | -24.715 | -5.735 |

^a Legally committed signed amount by the issuer for the portfolio or portfolio components eligible for green bond financing.

^b Portion of the total portfolio cost that is financed by the issuer.

^c Portion of the total portfolio cost that is eligible for Green Bond.

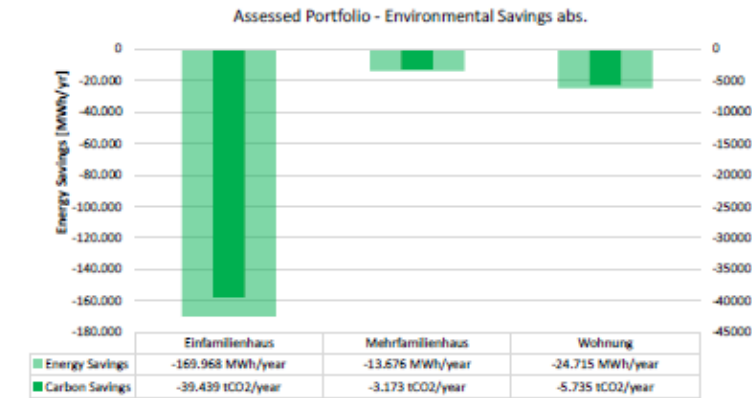
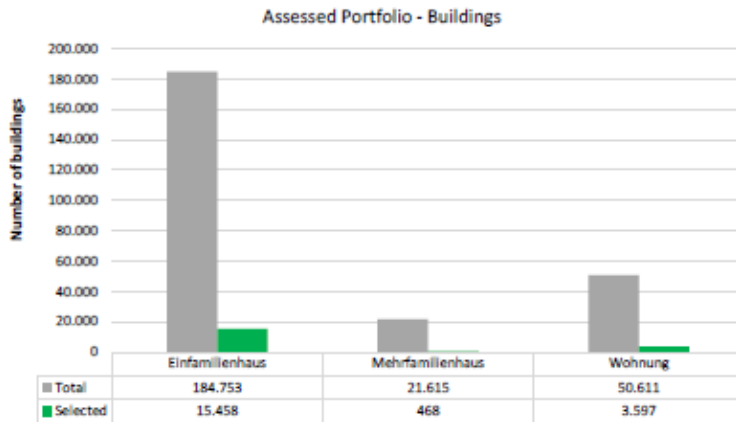
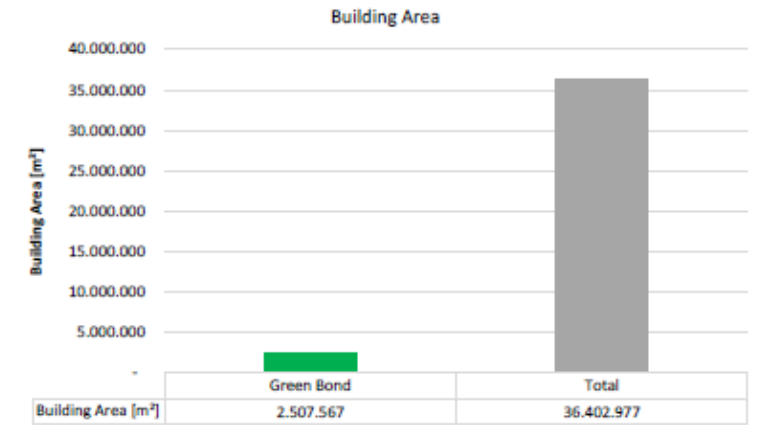
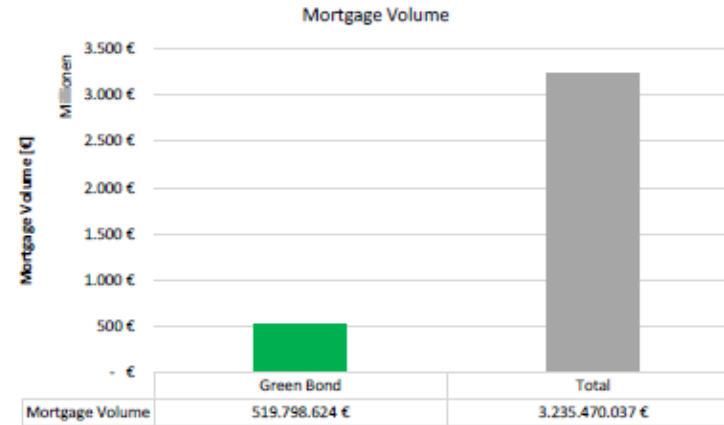
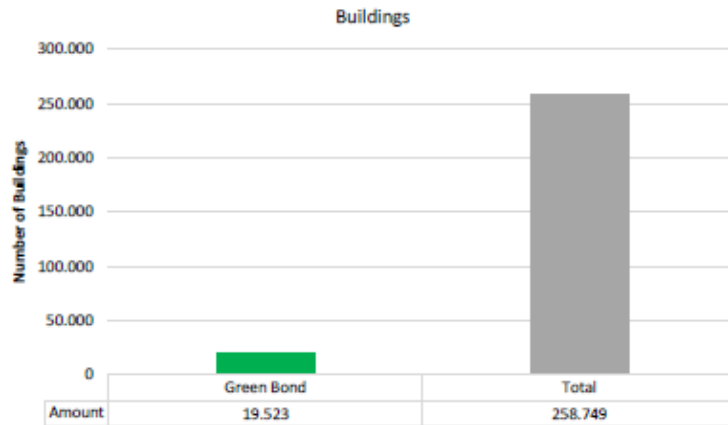
^d Average remaining term of Green Bond loan within the total portfolio.

^e Final energy savings calculated using the difference between the top 15% and the national building stock benchmarks

^f Greenhouse gas emissions avoidance determined by multiplying the final energy savings with the carbon emissions intensity

3. The Green Pfandbrief

Impact reporting from Drees & Sommer (2)



German Green Bond Portfolio:

- Buildings: 19,523
- Exposure: 0,52 Billion EUR (16%)
- Energy savings: 208.359 MWh/a
- Carbon emissions savings: 48.347 tCO₂/a

3. The Green Pfandbrief

External audit

Second party opinion

- ✔ Review of the green bond framework by Sustainalytics
- ✔ Confirmation of compliance with the ICMA Green Bond Principles
- ✔ Extract from the Second Party Opinion



Second-Party Opinion

W&W Group Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the W&W Group Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings and Renewable Energy – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible categories will contribute to the decarbonization of W&W Group’s own investment portfolio in Europe, the US and Canada and advance the UN Sustainable Development Goals, specifically SDGs 7 and 11.



PROJECT EVALUATION AND SELECTION W&W Group’s Green Bond Committee – which comprises representatives from the Risk and Finance Department and the business divisions of Housing and Insurance, and Sustainability – will be responsible for evaluating and selecting eligible green investments in line with the Framework’s eligibility criteria. W&W Group will assess and mitigate environmental and social risks associated with the eligible green assets as part of its property valuation and credit assessment. Sustainalytics considers W&W Group’s risk management system to be adequate and the project selection process to be in line with market practice.



MANAGEMENT OF PROCEEDS W&W Group’s Green Bond Committee oversees the process for managing proceeds through an internal monitoring system. W&W Group intends to allocate the proceeds within 36 months of issuance. Pending full allocation, W&W Group will temporarily invest the proceeds in green, social or sustainable bonds, cash or cash equivalents. This is in line with market practice.



REPORTING W&W Group intends to report on the allocation of proceeds and the corresponding impact in its Green Bond Investor Report on an annual basis until full allocation. Allocation reporting will include the total amount of outstanding green bonds issued, the eligible green investments, the geographical distribution of eligible green investments and the distribution of the types of eligible green investments. In addition, W&W Group is committed to reporting on relevant impact metrics. Sustainalytics views W&W Group’s allocation and impact reporting as aligned with market practice.



| | |
|-----------------|--------------------|
| Evaluation Date | March 17, 2023 |
| Issuer Location | Stuttgart, Germany |

| Report Sections | |
|-------------------------------|----|
| Introduction..... | 2 |
| Sustainalytics’ Opinion | 3 |
| Appendix | 10 |

For inquiries, contact the Sustainable Finance Solutions project team:

- Nadia Djinnit (Amsterdam)**
Project Manager
Nadia.Djinnit@morningstar.com
(+31) 20 560 2933
- Nilofur Thakkar (Mumbai)**
Project Support
- Kay Tao (Amsterdam)**
Project Support
- Zoe Wittmann (Amsterdam)**
Project Support
- Andrew Johnson (Paris)**
Client Relations
susfinance.emea@sustainalytics.com
(+33) 15 550 1304

agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary
Annex

4. The refinancing

Overview of the ratings

Wüstenrot Bausparkasse AG

| | S&P rating | Outlook | As at |
|---------------------------------|------------|---------------|----------------------|
| ▪ Mortgage covered bonds | AAA | stable | 21 April 2023 |
| ▪ Long-term rating | A- | stable | 25 September 2023 |
| ▪ Short-term rating | A-1 | stable | 25 September 2023 |

W&W AG

| | S&P rating | Outlook | As at |
|-----------------------------|------------|---------|-------------------|
| ▪ Issuer rating | BBB+ | stable | 25 September 2023 |
| ▪ Financial strength rating | BBB+ | stable | 25 September 2023 |

- ✔ Long-term stable AAA rating for the mortgage cover pool
- ✔ S&P rates high overcollateralisation, high-quality liquidity buffer and matching maturities with an 8-notch uplift to the institute rating



4. The refinancing

Refinancing through ...

Diversification

- Home loan savings deposits
- Call money accounts and time deposits from private clients
- Money market
- Capital market

Bearer securities

- EUR 5 bn debt issuance programme
- Mortgage covered bonds, uncovered issues, subordinated debt
- Governed by German law
- Denomination EUR 100,000
- Plain vanilla or single-callable issues

Registered securities

- Registered mortgage covered bonds
- Promissory notes, registered bonds
- Subordinated debt
- Plain vanilla or single-callable issues

agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary
Annex

5. The cover pool

Overview of the cover pool register

- ✔ **granular cover pool** with approx. 33,000 individual loans
- ✔ average **cover amount** EUR 100,000
- ✔ all collateral **100% located in Germany**
- ✔ approx. **76% single- and two-family houses** and **privately-owned flats**
- ✔ approx. **65%** of all properties **owner-occupied**
- ✔ average **weighted loan-to-value ratio** approx. 48.8%
- ✔ **healthy age structure** of the cover pool, ongoing new loans as collateral
- ✔ **very low arrears** in the cover pool, **stable below 0.01%** for years
- ✔ **no currency risks**, all financing in euros
- ✔ **no derivatives** in the cover pool
- ✔ professional **cover pool management**

5. The cover pool

Breakdown by federal states

| As at 30/06/2023 | Residential cover pool mortgages | | Commercial cover pool mortgages | | Cover pool mortgages in total | |
|-------------------------------|----------------------------------|---------------|---------------------------------|--------------|-------------------------------|----------------|
| | in EUR | in % | in EUR | in % | in EUR | in % |
| Baden-Württemberg | 670.482.925 | 20,69% | 9.614.671 | 0,30% | 680.097.596 | 20,99% |
| Bayern | 695.764.793 | 21,47% | 17.588.345 | 0,54% | 713.353.138 | 22,01% |
| Berlin | 300.055.574 | 9,26% | | 0,00% | 300.055.574 | 9,26% |
| Brandenburg | 128.804.580 | 3,98% | 2.901.725 | 0,09% | 131.706.305 | 4,06% |
| Bremen | 12.402.797 | 0,38% | | 0,00% | 12.402.797 | 0,38% |
| Hamburg | 48.873.496 | 1,51% | 6.058.756 | 0,19% | 54.932.252 | 1,70% |
| Hessen | 318.588.394 | 9,83% | 15.054.513 | 0,46% | 333.642.907 | 10,30% |
| Mecklenburg-Vorpommern | 45.945.024 | 1,42% | 1.724.760 | 0,05% | 47.669.784 | 1,47% |
| Niedersachsen | 193.328.680 | 5,97% | 9.028.484 | 0,28% | 202.357.163 | 6,24% |
| Nordrhein-Westfalen | 316.415.637 | 9,76% | 8.598.558 | 0,27% | 325.014.195 | 10,03% |
| Rheinland-Pfalz | 120.664.798 | 3,72% | 212.505 | 0,01% | 120.877.303 | 3,73% |
| Saarland | 27.408.044 | 0,85% | | 0,00% | 27.408.044 | 0,85% |
| Sachsen | 75.183.577 | 2,32% | 6.303.820 | 0,19% | 81.487.397 | 2,51% |
| Sachsen-Anhalt | 55.244.164 | 1,70% | 9.901.552 | 0,31% | 65.145.716 | 2,01% |
| Schleswig-Holstein | 77.336.257 | 2,39% | 3.133.390 | 0,10% | 80.469.647 | 2,48% |
| Thüringen | 59.857.723 | 1,85% | 3.879.429 | 0,12% | 63.737.152 | 1,97% |
| Total | 3.146.356.461 | 97,10% | 94.000.509 | 2,90% | 3.240.356.969 | 100,00% |

- ✔ Focus on the economically strong federal states of Baden-Württemberg, Bavaria, Hesse and North Rhine-Westphalia

5. The cover pool

Breakdown by property type and price category

| Property type: As at 30/06/2023 | Cover pool mortgages in total | |
|---|----------------------------------|----------------|
| | in EUR | in % |
| Flats | 488.831.275 | 15,09% |
| Single houses | 1.986.552.411 | 61,31% |
| Multi-family houses | 670.587.160 | 20,69% |
| Office buildings | 6.409.904 | 0,20% |
| Commercial buildings | 0 | 0,00% |
| Industrial buildings | 0 | 0,00% |
| Other commercial buildings | 87.590.605 | 2,70% |
| unfinished and not yet profitable new buildings | 0 | 0,00% |
| Construction sites | 385.616 | 0,01% |
| Total | 3.240.356.969 | 100,00% |

| Size categories As at 30/06/2023 | Cover pool mortgages in total | |
|--|----------------------------------|----------------|
| | in EUR | in % |
| up to EUR 300 thousand | 2.295.972.703 | 70,86% |
| over EUR 300 thousand to EUR 1 million | 542.346.563 | 16,74% |
| over EUR 1 million to EUR 10 million | 336.226.944 | 10,38% |
| over EUR 10 million | 65.810.760 | 2,03% |
| Total | 3.240.356.969 | 100,00% |

- ✔ Over 97% of financing used for residential purposes
- ✔ The focus is on financing up to EUR 300 tsd

5. The cover pool

Overview of overcollateralisation

| § 28 (1) Nr. 1 and 3 PfandBG Circulation to cover pool ration | Nominal value | Present value | Risk net present value |
|--|------------------|------------------|------------------------|
| | as at 30/06/2023 | as at 30/06/2023 | as at 30/06/2023 |
| Total amount of covered bonds in circulation including derivatives | 2.989,10 | 2.761,06 | 2.547,56 |
| Total amount of cover pools including derivatives | 3.630,36 | 3.391,75 | 3.090,05 |
| % foreign currency derivatives from liabilities | 0,00% | 0,00% | 0,00% |
| % interest rate derivatives from liabilities | 0,00% | 0,00% | 0,00% |
| % foreign currency derivatives from assets | 0,00% | 0,00% | 0,00% |
| % interest rate derivatives from assets | 0,00% | 0,00% | 0,00% |
| Overcollateralisation in % | 21,45% | 22,84% | 21,29% |

- ✔ The dynamic approach is used for the interest rates to calculate the stress scenarios
- ✔ All cover assets and covered bonds are exclusively in euros, there are no foreign currencies in the cover pool register
- ✔ All pledged properties secured by real estate liens are located in Germany without exception

5. The cover pool

Overview of term structure and other cover assets

| § 28 (1) Nr. 2 PfandBG Maturity structure and fixed interest period | Covered bonds in circulation | Cover pool |
|---|------------------------------|------------------|
| | as at 30/06/2023 | as at 30/06/2023 |
| up to six months | 75,00 | 192,76 |
| over six months to twelve months | 57,00 | 112,27 |
| over twelve months to 18 months | 102,00 | 109,11 |
| over 18 months to 2 years | 51,10 | 88,80 |
| over 2 years to 3 years | 465,00 | 358,30 |
| over 3 years to 4 years | 303,00 | 322,24 |
| over 4 years to 5 years | 568,00 | 402,61 |
| over 5 years to 10 years | 1.253,00 | 1.655,65 |
| over 10 years | 115,00 | 388,61 |
| Total | 2.989,10 | 3.630,36 |
| Duration | 4,70 | 5,70 |

| Issuer | ISIN | Amount | Maturity |
|---------------------|--------------|-----------------------|------------|
| Republic of Finland | FI4000006176 | 50.000.000,00 | 04.07.2025 |
| Kingdom of Spain | ES00000122E5 | 20.000.000,00 | 30.07.2025 |
| Republic of France | FR0000571150 | 25.000.000,00 | 25.10.2025 |
| Republic of Austria | AT0000383864 | 15.000.000,00 | 15.07.2027 |
| Kingdom of the | NL0000102317 | 75.000.000,00 | 15.01.2028 |
| Kingdom of Belgium | BE0000291972 | 25.000.000,00 | 28.03.2028 |
| Republic of France | FR0000571218 | 125.000.000,00 | 25.04.2029 |
| OEBB | XS1071747023 | 15.000.000,00 | 28.05.2029 |
| Republic of Ireland | IE00BJ38CR43 | 40.000.000,00 | 15.05.2030 |
| Summe | | 390.000.000,00 | |

- ✔ Maturity-congruent management of the cover pool register
- ✔ The focus of new business is in the 7 to 10 year range

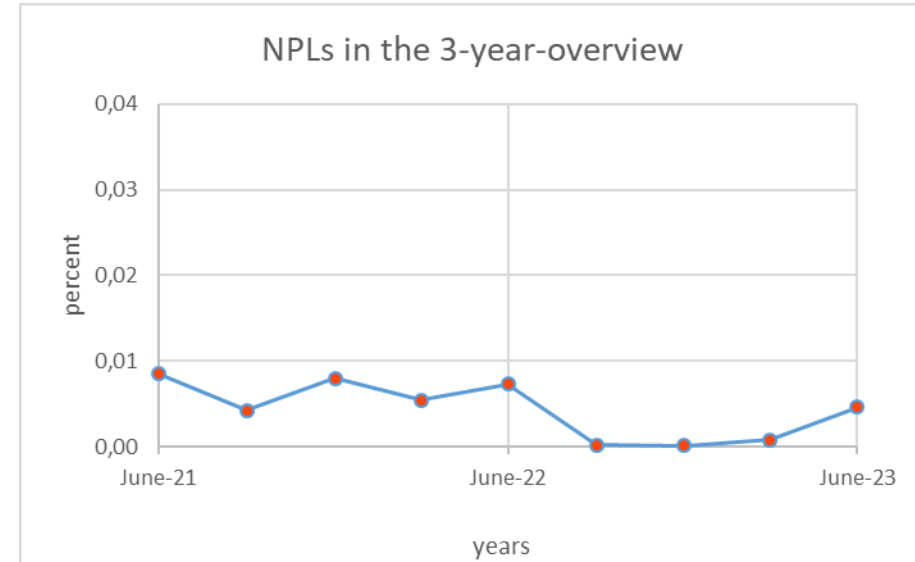
- ✔ Only European government bonds and bonds guaranteed by the state

Representation of the figures in German notation.

5. The cover pool

Overview of seasoning and NPLs

| Seasoning | Nominal | Percent |
|---|----------------------|----------------|
| 0 - < 18 months | 533.167.347 | 16,45% |
| >= 18 months - < 60 months | 1.226.350.264 | 37,85% |
| >= 60 months | 1.480.839.358 | 45,70% |
| Total | 3.240.356.969 | 100,00% |
| Weighted-average seasoning in months | 94,88 | |



Total amount of these claims, insofar as the respective arrears amount to at least 5% of the claim (Section 28 (2) No. 2 of the Covered Bond Act (PfandBG))

- ✔ organically grown cover pool
- ✔ long history

- ✔ low arrears in the cover pool
- ✔ long-term below 0.01%

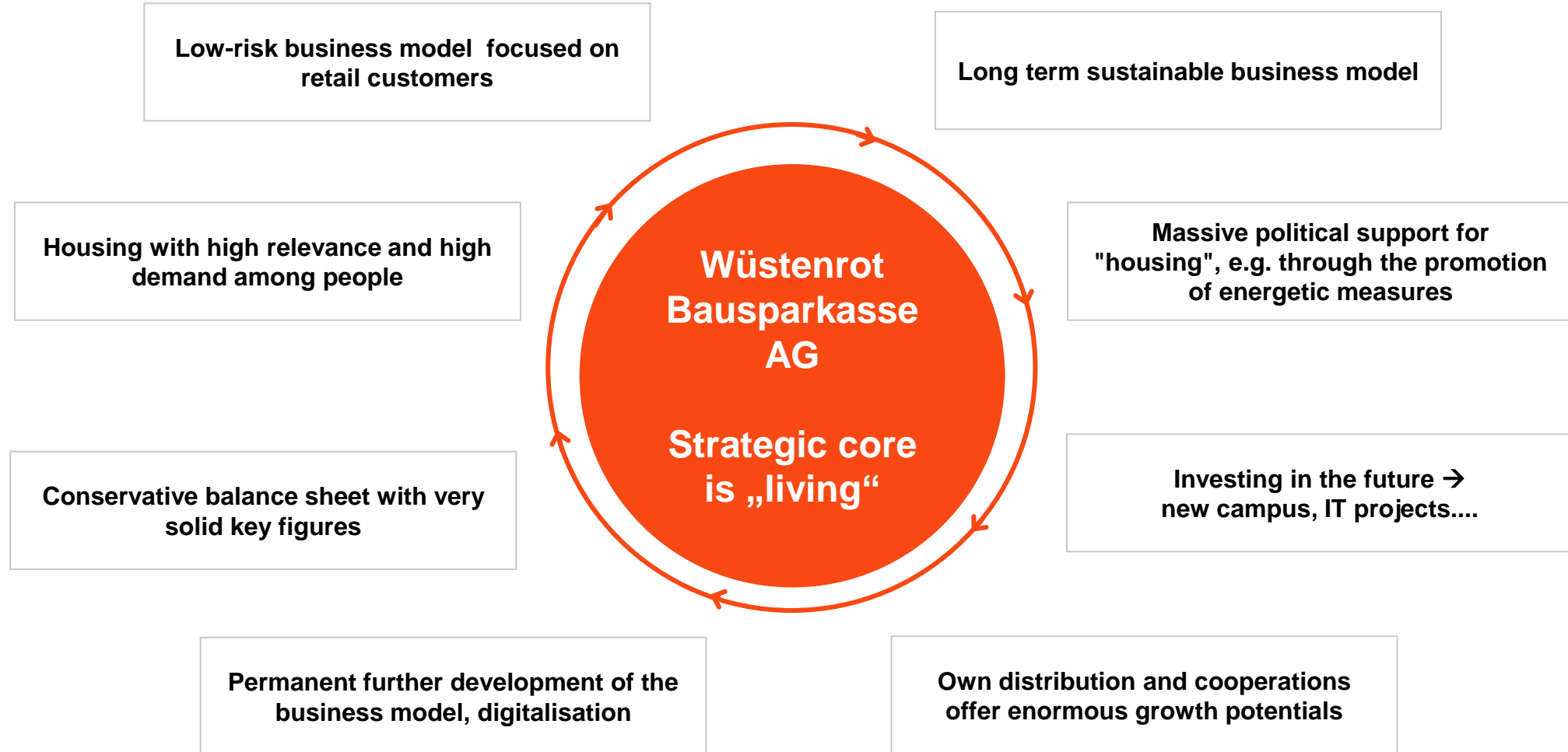
agenda



1. The Wüstenrot Bausparkasse AG – Part of W&W Group
 2. The Bausparkasse in figures
 3. The Green Pfandbrief
 4. The refinancing
 5. The cover pool
 6. Executive summary
- Annex

6. Executive summary

Summary Wüstenrot Bausparkasse



agenda

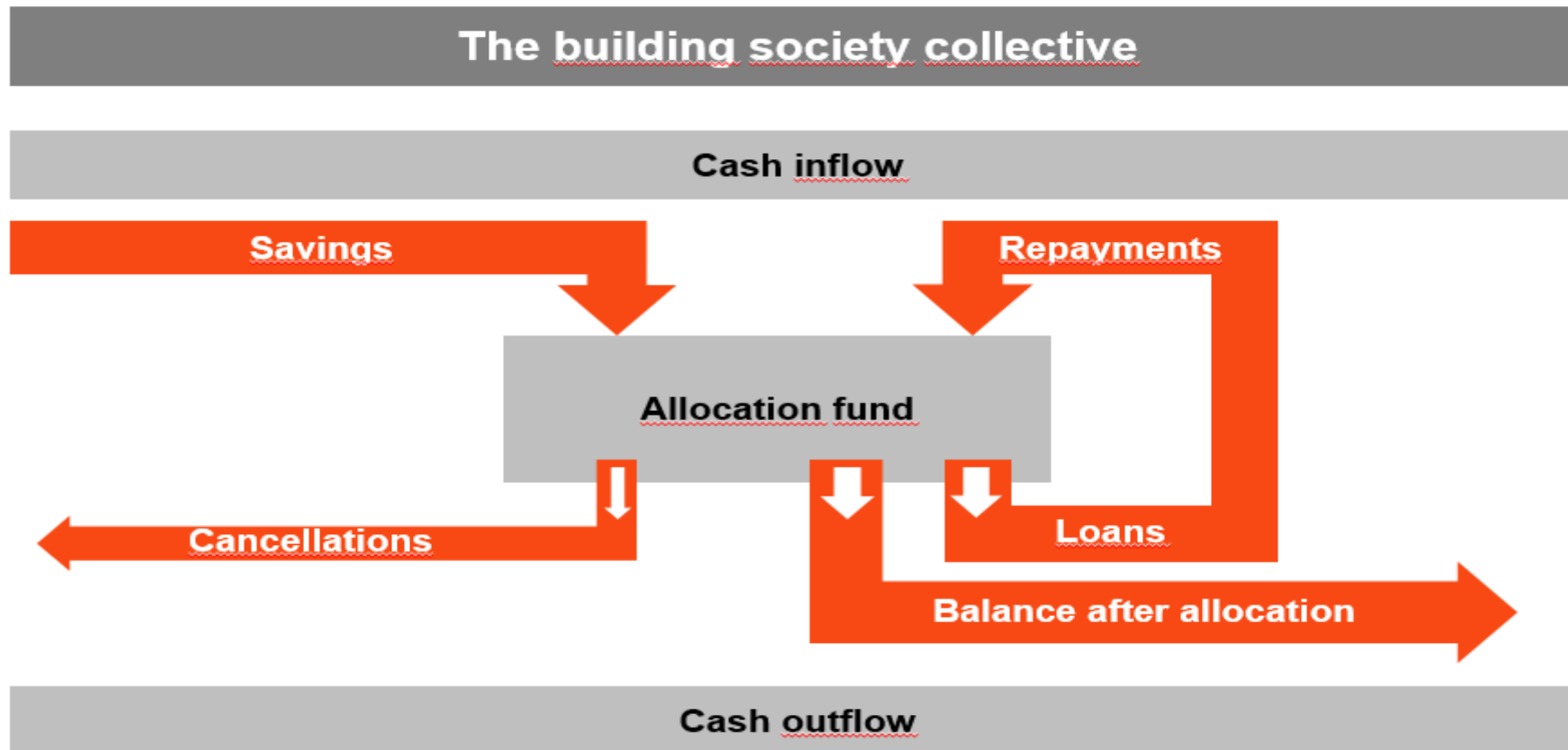


1. The Wüstenrot Bausparkasse AG – Part of W&W Group
2. The Bausparkasse in figures
3. The Green Pfandbrief
4. The refinancing
5. The cover pool
6. Executive summary

Annex

Basic principle of the building society collective

The **home loan and savings contract** is defined under § 1 Abs. 2 BausparkG. It is also defined that, when, a building savings contract is concluded, the building saver becomes a member of a special purpose community, the collective.



Simulation model as a central control tool

Simulation models at home loan and savings banks are used for operational planning, to carry out risk-bearing capacity and sensitivity analyzes and to control cover pool development.

Cover pool simulation has therefore acquired central importance for product policy, collective management and integrated corporate planning.

The simulation model of a home loan and savings bank has also gained in importance from a regulatory point of view with the new Home Loan and Savings Bank Act, which came into force in 2015.

monthly

- Interest rate risk
- Net present value of new business
- Net interest income

plus quarterly

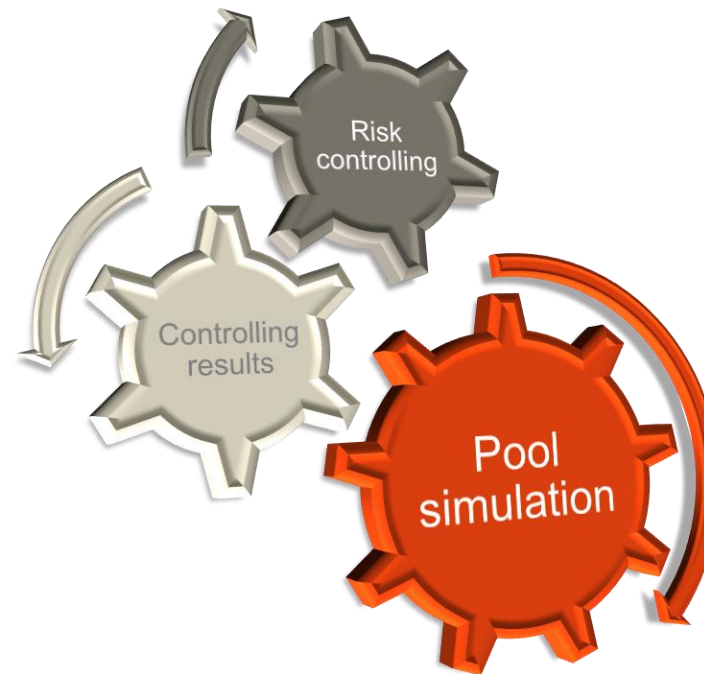
- Risk-bearing capacity
- Stress interest rate risk
- Pool risk

plus annually

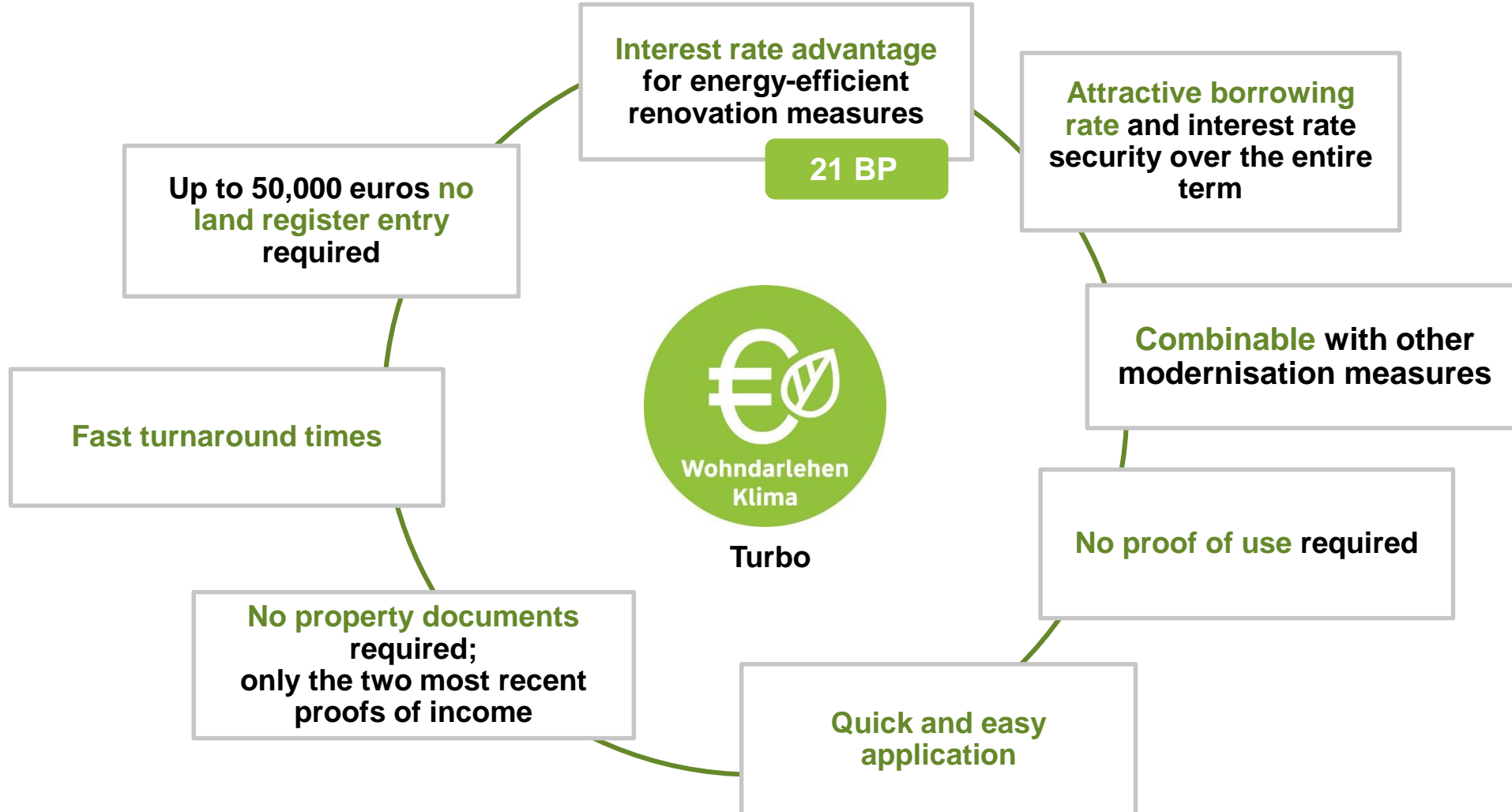
- Pool management report
- Notification in accordance with Section 5 of the Home Loan and Savings Act Directive (BausparkV)
- Planning / forecasting

ad hoc

- Product development
- Consistency / persistence
- Regulatory stress surveys



Green product example: Klima Turbo Constant 10 / Plus 50



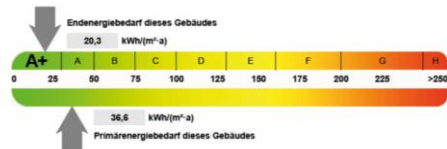
Green product example: Klima Flex and Klima Classic

Use

- Construction/purchase of a new building
- Purchase of an existing property
- Purchase of an existing property with energy-efficient refurbishment
- Follow-up financing
- Homeowner: extensive energy refurbishment

The requirements

- Properties that consume a maximum primary energy demand of 50 kilowatt hours per sqm/year – corresponds to **energy classes A+ and A** in the energy certificate.
- For larger modernisations / refurbishments of existing properties, it is sufficient if the primary energy demand improves **by 30 %** after completion of the measure.



Flex and Classic

Interest rate advantage for sustainable, climate-protecting investments

10 BP

The proof

| Measure | Proof with application | Proof after completion | Where the client receives the proof? |
|---|--|--------------------------|--|
| New building / Purchase of a new building | Temporary energy certificate | Final energy certificate | Architect or property developer |
| Purchase of existing building | Energy certificate | | Seller |
| Purchase of existing building with energy-efficient refurbishment | Individual renovation roadmap or confirmation from the energy advisor or expert about the improvements | Final energy certificate | Energy advisor |
| Follow-up financing | Energy certificate | | Existing energy certificate or from their energy adviser |
| Homeowner: who are planning comprehensive energy refurbishment | Individual renovation roadmap or confirmation from the energy advisor or expert about the improvements | Final energy certificate | Energy advisor |

To the point: Sustainability goals of the W&W Group

E S G

E S G

Customers and products

"Green" product lines and components in the business areas

Sustainable and resource-saving customer communication

Capital investments and refinancing

Continuous reduction of CO₂ emissions towards climate-neutral capital investments by 2050

Own operations

CO₂-neutral operation of own buildings and vehicle fleet through the use of ecological energy sources and compensation of the remaining CO₂ emissions

Society

Promotion of cultural, sporting, social and regional offers

Expansion of our regional educational networks

Organisation

Strengthen awareness for sustainability and anchor it across the Group

Expansion of responsible corporate governance

Employees

Developing the future of work and work culture

Increase employer attractiveness and employee satisfaction

Promote diversity

Signatory of: 13 Mai 2020



W&W Group is implementing these goals as part of a new sustainability strategy

Contact details

Thomas Arendt - Head of Treasury

Telephone number: 07141 16-754638

Email: thomas.arendt@wuestenrot.de

Frank Boetzer - Head of Liquidity and Funding

Telephone number: 07141 16-755665

Email: frank.boetzer@wuestenrot.de

Disclaimer

This presentation contains forward-looking statements. These forward-looking statements are based on the current expectations and forecasts of Wüstenrot with regard to future results and are associated with risks, uncertainties and assumptions that affect Wüstenrot and its business. These risks, uncertainties and assumptions may cause the actual results and targets achieved by Wüstenrot to differ materially from the future results and/or targets expressed or implied by such forward-looking statements. In addition, potential investors should note that statements about past trends and events are no guarantee that these trends and events will continue in the future.

The presentation contains data and information from various publicly available sources. Wüstenrot does not guarantee the accuracy or completeness of such data and information.

All information, opinions and estimates contained herein are given as of the date hereof. Wüstenrot undertakes no obligation to update or revise forward-looking statements.