

# VOLKSWAGEN BANK

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VOLKSWAGEN BANK GMBH  
PILLAR 3 DISCLOSURE REPORT  
IN ACCORDANCE WITH THE CAPITAL REQUIREMENTS REGULATION  
AS OF JUNE 30,

*2020*

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All figures shown in tables are rounded, so minor discrepancies may arise from addition of these amounts.

# Foreword

The Pillar 3 Disclosure Report for the period ended June 30, 2020 is published in accordance with the supervisory law requirements of the Basel III framework (Regulation (EU) No. 575/2013 – the Capital Requirements Regulation or “CRR” – and Directive 2013/36/EU – the Capital Requirements Directive IV or “CRD IV”), which came into force as of January 1, 2014. This Report is based on the legal requirements in force as of the reporting date.

The entry into force of the CRR provided in large measure a uniform legal basis for European banking supervisory law. The requirements of the CRR largely replaced the disclosure obligations regulated at national level.

Volkswagen Bank GmbH acts as the parent of the institution group for supervisory law purposes and is responsible for implementing the requirements of supervisory law within the Group. This also includes the obligation to make regular disclosures in accordance with Article 433 of the CRR.

In accordance with Article 433 of the CRR, the Pillar 3 Disclosure Report is updated regularly to meet the requirements and published shortly thereafter as a separate report on Volkswagen Bank GmbH’s website.

Where available, the format templates stipulated by the EBA guidelines as well as the implementation and regulation standards for the disclosure of the information in accordance with Section 8 of the CRR have been utilized.

Braunschweig, September 2020

The Management Board

# Own Funds

## INTRODUCTION

The own funds of an institution or an institution group are measured by reference to the prudential capital ratios. In this connection, Volkswagen Bank GmbH must observe the minimum capital ratios defined in Article 92 of the CRR at both the level of the individual institution and at the consolidated level of the institution group. In addition, Volkswagen Bank GmbH must observe the prudential capital buffer requirements as well as the additional capital requirements defined in the supervisory review and evaluation process (SREP).

In this document, the explanatory notes and data pertaining to own funds refer to Volkswagen Bank GmbH's institution group and are based on IFRS accounting.

## STRUCTURE OF OWN FUNDS

The own funds in accordance with Article 72 of the CRR consist of Common Equity Tier 1 capital and Tier 2 capital. No additional Tier 1 capital has been issued by Volkswagen Bank GmbH or any of the group entities included in the prudential scope of consolidation.

### Common Equity Tier 1 capital

Common Equity Tier 1 capital primarily consists of equity reported in the balance sheet. In turn, the equity reported in the balance sheet is composed of ordinary share capital and disclosed reserves. Volkswagen Bank GmbH's share capital is fully paid up and unrestricted. The disclosed reserves consist of the capital reserves and retained earnings. Moreover, Common Equity Tier 1 capital includes retained profits which have not yet been approved and are not tied to planned dividend payouts or foreseeable expenses (e.g. tax expenses). A special reserve for general banking risks recognized by Volkswagen Bank GmbH in accordance with section 340g of the Handelsgesetzbuch (HGB – German Commercial Code) is reported in the eligible disclosed reserves.

The slight increase in Common Equity Tier 1 capital compared with December 31, 2019 is primarily due to the effects of updating the static own funds components in connection with the approval of the consolidated financial statements.

### Tier 2 capital

Tier 2 capital comprises long-term subordinated liabilities, reduced by amortization in accordance with Article 64 of the CRR. Tier 2 capital decreased marginally in the year under review.

The subordinated liabilities, which are subject to interest at market rates, have original maturities of 20 years and are due for settlement no later than 2024. Some of the liabilities are subject to a contractual call right by Volkswagen Bank GmbH if certain trigger events occur. However, in accordance with Article 78 of the CRR, this right can only be exercised with the prior permission of the supervisory authorities. The investors do not have any call rights. The requirements of Article 63 of the CRR have been met.

This table breaks down the Common Equity Tier 1 and Tier 2 capital instruments by their principal characteristics.

**TABLE 1: DISCLOSURE ON CAPITAL INSTRUMENTS' MAIN FEATURES IN ACCORDANCE WITH ARTICLE 437(1)(B) OF THE CRR (IMPLEMENTING REGULATION 1423 ANNEX II GROUP)**

| Annex II |   | Instrument type 1            | Instrument type 2                | Instrument type 3                |
|----------|---|------------------------------|----------------------------------|----------------------------------|
| 1        | Issuer  | Volkswagen Bank GmbH Group   | Volkswagen Bank GmbH             | Volkswagen Bank GmbH             |
| 2        | Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)              | Bilateral agreements         | XS0175737997                     | XS0193333613                     |
| 3        | Governing law(s) of the instrument  | German law                   | German law                       | German law                       |
| 4        | Regulatory treatment  | Common Equity Tier 1 capital | Tier 2 capital                   | Tier 2 capital                   |
| 5        | Transitional CRR rules  | Common Equity Tier 1 capital | Tier 2 capital                   | Tier 2 capital                   |
| 6        | Post-transitional CRR rules   | Common Equity Tier 1 capital | Tier 2 capital                   | Tier 2 capital                   |
| 7        | Eligible at solo/(sub)consolidated/solo and (sub)consolidated                                   | (Sub)consolidated            | Solo and (sub)consolidated       | Solo and (sub)consolidated       |
| 8        | Instrument type (types to be specified by each jurisdiction)                                    | Ordinary shares              | Subordinated bond                | Subordinated bond                |
| 9        | Amount recognized in regulatory capital (currency in million, as of most recent reporting date) | EUR 318.3 million            | EUR 14.2 million                 | EUR 8.8 million                  |
| 9a       | Nominal amount of instrument  | EUR 318.3 million            | EUR 20.0 million                 | EUR 10.0 million                 |
| 9b       | Issue price   | Various                      | EUR 19.3 million                 | EUR 9.5 million                  |
| 10       | Redemption price  | N/A                          | EUR 20.0 million                 | EUR 10.0 million                 |
| 11       | Accounting classification   | Share capital                | Liability – amortized cost       | Liability – amortized cost       |
| 12       | Original date of issuance   | Various                      | 26.09.2003                       | 07.06.2004                       |
| 13       | Perpetual or dated  | Perpetual                    | Dated                            | Dated                            |
| 14       | Original maturity date  | No maturity                  | 26.09.2023                       | 07.06.2024                       |
| 15       | Issuer call subject to prior supervisory approval   | No                           | Yes                              | Yes                              |
| 16       | Optional call date, contingent call dates and redemption amount                                 | N/A                          | Termination option for tax event | Termination option for tax event |
| 17       | Subsequent call dates, if applicable  | N/A                          | N/A                              | N/A                              |
| 18       | Coupons/dividends   | Variable                     | Fixed                            | Fixed                            |
| 19       | Fixed or floating dividend/coupon   | Variable                     | Fixed                            | Fixed                            |
| 20a      | Coupon rate and any related index   | N/A                          | 5.4% p.a.                        | 5.5% p.a.                        |
| 20b      | Existence of a dividend stopper   | No                           | No                               | No                               |
| 21       | Fully discretionary, partially discretionary or mandatory (in terms of timing)                  | Fully discretionary          | Mandatory                        | Mandatory                        |
| 22       | Fully discretionary, partly discretionary or mandatory (in terms of amount)                     | Fully discretionary          | Mandatory                        | Mandatory                        |
| 23       | Existence of step up or other incentive to redeem   | No                           | No                               | No                               |
| 24       | Noncumulative or cumulative   | Noncumulative                | Noncumulative                    | Noncumulative                    |
| 25       | Convertible or nonconvertible   | Nonconvertible               | Nonconvertible                   | Nonconvertible                   |
| 26       | If convertible, conversion trigger(s)   | N/A                          | N/A                              | N/A                              |
| 27       | If convertible, fully or partially  | N/A                          | N/A                              | N/A                              |

| Annex II   |   | Instrument type 1              | Instrument type 2                   | Instrument type 3                   |
|--|---|--------------------------------|-------------------------------------|-------------------------------------|
| 26   | If convertible, conversion rate   | N/A                            | N/A                                 | N/A                                 |
| 27   | If convertible, mandatory or optional conversion  | N/A                            | N/A                                 | N/A                                 |
| 28   | If convertible, specify instrument type convertible into  | N/A                            | N/A                                 | N/A                                 |
| 29   | If convertible, specify issuer of instrument it converts into   | N/A                            | N/A                                 | N/A                                 |
| 30   | Write-down features   | No                             | No                                  | No                                  |
| 31   | If write-down, write-down trigger(s)  | N/A                            | N/A                                 | N/A                                 |
| 32   | If write-down, full or partial  | N/A                            | N/A                                 | N/A                                 |
| 33   | If write-down, permanent or temporary   | N/A                            | N/A                                 | N/A                                 |
| 34   | If temporary write-down, description of write-up mechanism  | N/A                            | N/A                                 | N/A                                 |
| 35   | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Subordinate to AT1 instruments | Subordinate to insolvency creditors | Subordinate to insolvency creditors |
| 36   | Noncompliant transitioned features  | No                             | No                                  | No                                  |
| 37   | If yes, specify noncompliant features   | N/A                            | N/A                                 | N/A                                 |
| (1) Insert 'N/A' if the question is not applicable |   |                                |                                     |                                     |

No. 10 of instrument 1 entails the GmbH shares of Volkswagen Bank GmbH.

The own funds in accordance with Article 72 of the CRR and the capital ratios in accordance with Article 92 of the CRR as well as the capital buffers in accordance with section 10c ff. of the GERMAN BANKING ACT (Kreditwesengesetz – KWG) are composed of the following items as of June 30, 2020:

**TABLE 2: DISCLOSURE ON OWN FUNDS (IMPLEMENTING REGULATION 1423 ANNEX IV)**

| No.  | Capital instruments  | (A) Amount<br>at disclosure Date<br>(€ million) | (B) Regulation (EU)<br>No. 575/2013<br>Article Reference |
|--|--|---|--|
| <b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b> |  |   |  |
| 6  | Common Equity Tier 1 (CET1) capital before regulatory adjustments    | 9,831   |  |
| <b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>   |  |   |  |
| 28   | Total regulatory adjustments to Common Equity Tier 1 (CET1)          | -1,118  |  |
| 29   | Common Equity Tier 1 (CET1) capital                                  | 8,713   |  |
| <b>Additional Tier 1 (AT1) capital: Instruments</b>                  |  |   |  |
| 36   | Additional Tier 1 (AT1) capital before regulatory adjustments        | 0   |  |
| <b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>       |  |   |  |
| 43   | Total regulatory adjustments to Additional Tier 1 (AT1) capital      | 0   |  |
| 44   | Additional Tier 1 (AT1) capital                                      | 0   |  |
| 45   | Tier 1 capital (T1 = CET1 + AT1)                                     | 8,713   |  |
| <b>Tier 2 (T2) capital: Instruments and provisions</b>               |  |   |  |
| 51   | Tier 2 (T2) capital before regulatory adjustments                    | 23  |  |
| <b>Tier 2 (T2) capital: regulatory adjustments</b>                   |  |   |  |
| 57   | Total regulatory adjustments to Tier 2 (T2) capital                  | 0   |  |
| 58   | Tier 2 (T2) capital  | 23  |  |
| 59   | Total capital (TC = T1 + T2)   | 8,736   |  |
| <b>Capital ratios and buffers</b>                                    |  |   |  |
| 61   | Common Equity Tier 1 (as a percentage of total risk exposure amount) | 16.8  | 92 (2) (a)   |
| 62   | Tier 1 (as a percentage of total risk exposure amount)               | 16.8  | 92 (2) (b)   |
| 63   | Total capital (as a percentage of total risk exposure amount)        | 16.9  | 92 (2) (c)   |



**CRR OWN FUNDS REQUIREMENTS**

The CRR own funds requirements relating to credit risk, the risk of a credit valuation adjustment (CVA risk), the market risk and operational risk were composed of the following items as of June 30, 2020:

**TABLE 3: REGULATORY OWN FUNDS REQUIREMENTS AT GROUP LEVEL**

| € million  | Risk-weighted exposure<br>amount (after SME<br>Supporting Factor) | Own funds requirements |
|--|---|------------------------|
| <b>Credit risk</b>   | <b>47,940</b>   | <b>3,835</b>           |
| Exposures to central governments or central banks  | 2,437   | 195                    |
| Exposures to regional governments or local authorities                                   | 0   | 0                      |
| Exposures to public sector entities  | 4   | 0                      |
| Exposures to multilateral development banks  | 0   | 0                      |
| Exposures to international organizations   | 0   | 0                      |
| Exposures to institutions  | 286   | 23                     |
| Exposures to corporates  | 14,904  | 1,192                  |
| Retail exposures   | 27,539  | 2,203                  |
| Exposures secured by mortgages on immovable property                                     | 0   | 0                      |
| Exposures in default   | 1,126   | 90                     |
| Exposures associated with particularly high risk   | 0   | 0                      |
| Exposures in the form of covered bonds   | 29  | 2                      |
| Items representing securitization positions  | 98  | 8                      |
| Exposures to institutions and corporates<br>with a short-term credit assessment          | 0   | 0                      |
| Exposures in the form of units or shares in<br>collective investment undertakings (CIUs) | 0   | 0                      |
| Equity exposures   | 31  | 2                      |
| Other items  | 1,487   | 119                    |
| <b>Credit valuation adjustment risk</b>  | <b>26</b>   | <b>2</b>               |
| CVA risk (standard method)   | 26  | 2                      |
| <b>Market risk</b>   | <b>375</b>  | <b>30</b>              |
| Position risk for trading book business  | 0   | 0                      |
| Large exposures above the limit for trading book business                                | 0   | 0                      |
| Foreign currency risk  | 375   | 30                     |
| Settlement risk  | 0   | 0                      |
| Commodity position risk  | 0   | 0                      |
| Capital requirement for currency risks under the standardized approach                   | 0   | 0                      |
| <b>Operational risks</b>   | <b>3,485</b>  | <b>279</b>             |
| Capital requirement for the standardized approach  | 3,485   | 279                    |
| <b>Total</b>   | <b>51,826</b>   | <b>4,146</b>           |

The data presented above indicates clearly that counterparty credit risk is the most prominent exposure, with an own funds requirement of €3.8 billion.

# Disclosure of the Leverage Ratio

## DESCRIPTION OF THE PROCESSES USED TO MANAGE THE RISK OF EXCESSIVE LEVERAGE

Reporting on changes in the leverage ratio is included in Volkswagen Bank GmbH's capital projections. The leverage ratio is regularly monitored as part of capital planning.

### Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

Whereas Common Equity Tier 1 capital rose slightly at Volkswagen Bank GmbH during the reporting period, the risk measure fell marginally during the same period. The latter is chiefly attributable to the closure of the Irish branch in June 2020.

The increase in Common Equity Tier 1 capital and the reduction in the risk measure had a positive effect on the leverage ratio.

**TABLE 4: CRR LEVERAGE RATIO – DISCLOSURE FORM**

|                      |                      |
|----------------------|----------------------|
| Reference date       | 06/30/2020           |
| Entity name          | Volkswagen Bank GmbH |
| Level of application | Consolidated level   |

**TABLE 5: LRSUM – SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES**

| € million | Applicable Amount   |               |
|-----------|---|---------------|
| 1         | Total assets as per published financial statements  | 83,101        |
| 2         | Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation  | 13,980        |
| 3         | (Adjustment for fiduciary assets recognized on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013) | 0             |
| 4         | Adjustments for derivative financial instruments  | 97            |
| 5         | Adjustment for securities financing transactions (SFTs)   | 0             |
| 6         | Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)  | 2,045         |
| EU-6a     | (Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)  | 0             |
| EU-6b     | (Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)  | 0             |
| 7         | Other adjustments   | -1,949        |
| <b>8</b>  | <b>Leverage ratio total exposure measure</b>  | <b>68,927</b> |

TABLE 6: LRCOM – LEVERAGE RATIO COMMON DISCLOSURE

| € million  | CRR leverage ratio exposures |
|--|------------------------------|
| <b>Capital and total exposure measure</b>  |                              |
| 20 Tier 1 capital  | 8,713                        |
| 21 Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b) | 68,927                       |
| <b>Leverage ratio</b>  |                              |
| 22 Leverage ratio  | 12.6 %                       |

TABLE 7: LRSPL – SPLIT-UP OF ON-BALANCE SHEET EXPOSURES  
(EXCLUDING DERIVATIVES, SFTS AND EXEMPTED EXPOSURES)

| € million  | CRR leverage ratio exposures |
|--|------------------------------|
| EU-1 Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:     | 67,569                       |
| EU-2 Trading book exposures  | 0                            |
| EU-3 Banking book exposures, of which:   | 67,569                       |
| EU-4 Covered bonds   | 286                          |
| EU-5 Exposures to central governments or central banks   | 12,767                       |
| EU-6 Exposures to regional governments, MDB, international organizations and PSE not treated as sovereigns | 9                            |
| EU-7 Institutions  | 602                          |
| EU-8 Secured by mortgages of immovable properties  | 0                            |
| EU-9 Retail exposures  | 36,400                       |
| EU-10 Corporate  | 14,529                       |
| EU-11 Exposures in default   | 909                          |
| EU-12 Other exposures (e.g. equity, securitizations and other non-credit obligation assets)                | 2,067                        |

# Quantitative Disclosures on the LCR

The calculation of the Liquidity Coverage Ratio (LCR) for quantitative information on the LCR is based on simple averages of the end-of-month reports over the 12 months preceding the end of each quarter in accordance with the guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 of Regulation (EU) No 575/2013.

**TABLE 8: EU LIQ1 – DISCLOSURE OF QUANTITATIVE INFORMATION ON LCR**

| SCOPE OF CONSOLIDATION (CONSOLIDATED)<br>CURRENCY AND UNITS<br>(€ MILLION) |                              | TOTAL UNWEIGHTED VALUE<br>(AVERAGE) |                 |                 |                 | TOTAL WEIGHTED VALUE<br>(AVERAGE) |                 |                 |                 |
|--|------------------------------|-------------------------------------|-----------------|-----------------|-----------------|-----------------------------------|-----------------|-----------------|-----------------|
|  |                              | 30 Sep,<br>2019                     | 31 Dec,<br>2019 | 31 Mar,<br>2020 | 30 Jun,<br>2020 | 30 Sep,<br>2019                   | 31 Dec,<br>2019 | 31 Mar,<br>2020 | 30 Jun,<br>2020 |
| Quarter ends on  |                              |                                     |                 |                 |                 |                                   |                 |                 |                 |
| Number of data points used in the calculation of averages                  |                              | 12                                  | 12              | 12              | 12              | 12                                | 12              | 12              | 12              |
|  |                              |                                     |                 |                 |                 |                                   |                 |                 |                 |
|  |                              |                                     |                 |                 |                 | <b>Adjusted total amount</b>      |                 |                 |                 |
| 21   | Cash buffer                  |                                     |                 |                 |                 | 7,827                             | 7,503           | 7,601           | 8,450           |
| 22   | Total net cash outflows      |                                     |                 |                 |                 | 5,424                             | 5,095           | 5,163           | 5,545           |
| 23   | Liquidity coverage ratio (%) |                                     |                 |                 |                 | 147.0 %                           | 149.6 %         | 148.2 %         | 152.3 %         |

# Additional Information on COVID-19 Response

TABLE 9: INFORMATION ON LOANS AND ADVANCES SUBJECT TO LEGISLATIVE AND NON-LEGISLATIVE MORATORIA

|           | GROSS CARRYING AMOUNT  |   |       |     |  |     |     |     | ACCUMULATED IMPAIRMENT, ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK |   |      |  |      |      | GROSS CARRYING AMOUNT |                                     |
|-----------|--|---|-------|-----|--|-----|-----|-----|---|---|------|--|------|------|-----------------------|-------------------------------------|
|           | Performing   |   |       |     | Non performing   |     |     |     | Performing  |   |      | Non performing   |      |      |                       |                                     |
|           | Of which: Instruments with significant increase in credit risk |   |       |     | Of which: Unlikely to pay that are not past-due or past-due <= 90 days |     |     |     | Of which: Instruments with significant increase in credit risk                        |   |      | Of which: Unlikely to pay that are not past-due or past-due <= 90 days |      |      |                       |                                     |
|           | Of which: exposures with forbearance measures                  | since initial recognition but not credit-impaired (Stage 2) |       |     | Of which: exposures with forbearance measures                          |     |     |     | Of which: exposures with forbearance measures   | since initial recognition but not credit-impaired (Stage 2) |      | Of which: exposures with forbearance measures                          |      |      |                       |                                     |
| € million |  |   |       |     |  |     |     |     |   |   |      |  |      |      |                       | Inflows to non-performing exposures |
| 1         | Loans and advances subject to moratorium                       | 464.5   | 455.7 | 3.5 | 162.0  | 8.8 | 5.3 | 2.1 | -18.5   | -15.3   | -0.5 | -12.0  | -3.1 | -0.9 | -1.6                  | 0                                   |
| 2         | of which: Households   | 97.0  | 92.1  | 2.3 | 25.5   | 4.9 | 3.9 | 0   | -3.5  | -2.5  | -0.3 | -2.0   | -1.0 | -0.7 | 0                     | 0                                   |
| 3         | of which: Collateralised by residential immovable property     | 0   | 0     | 0   | 0  | 0   | 0   | 0   | 0   | 0   | 0    | 0  | 0    | 0    | 0                     | 0                                   |
| 4         | of which: Non-financial corporations                           | 366.1   | 362.2 | 1.3 | 136.5  | 3.9 | 1.4 | 2.1 | -15.0   | -12.9   | -0.2 | -10.0  | -2.1 | -0.2 | -1.6                  | 0                                   |
| 5         | of which: Small and Medium-sized Enterprises                   | 304.9   | 301.0 | 1.3 | 100.6  | 3.9 | 1.4 | 2.1 | -12.8   | -10.7   | -0.2 | -8.1   | -2.1 | -0.2 | -1.6                  | 0                                   |
| 6         | of which: Collateralised by commercial immovable property      | 61.2  | 61.2  | 0   | 35.9   | 0   | 0   | 0   | -2.1  | -2.1  | 0    | -1.8   | 0    | 0    | 0                     | 0                                   |

Governments in numerous European countries have taken initiatives to create and implement the legislative basis for loan-repayment moratoria. Numerous customers of Volkswagen Bank GmbH have also made use of these possibilities. In addition, the bank has offered internal support in the form of loan-repayment moratoria or extensions to repayment plans (capital and interest payments) of up to three months in the case of private customers and of up to six months in the case of commercial customers. Corporate customers (such as automotive dealers) have received support in the form of additional liquidity, temporary increases in credit in tandem with extended payment periods as well as payment deferrals (interest-free) for a defined period.

All measures were taken solely in response to an active request by customers and subject to a detailed review of their necessity, i.e. difficulties experienced by customers as a result of COVID-19 in meeting payment obligations towards Volkswagen Bank GmbH.

**TABLE 10: BREAKDOWN OF LOANS AND ADVANCES SUBJECT TO LEGISLATIVE AND NON-LEGISLATIVE MORATORIA BY RESIDUAL MATURITY OF MORATORIA**

|   | € million  | Number of obligors | GROSS CARRYING AMOUNT           |                   |                                |                        |                        |                         |          |       |
|---|--|--------------------|---------------------------------|-------------------|--------------------------------|------------------------|------------------------|-------------------------|----------|-------|
|   |  |                    | Of which: legislative moratoria | Of which: expired | Residual maturity of moratoria |                        |                        |                         |          |       |
|   |  |                    |                                 |                   | <= 3 months                    | > 3 months <= 6 months | > 6 months <= 9 months | > 9 months <= 12 months | > 1 year |       |
| 1 | Loans and advances for which moratorium was offered        | 34,820             | 1,137.1                         |                   |                                |                        |                        |                         |          |       |
| 2 | Loans and advances subject to moratorium (granted)         | 20,368             | 794.5                           | 497.3             | 330.0                          | 229.7                  | 133.2                  | 0.4                     | 0.3      | 100.9 |
| 3 | of which: Households                                       |                    | 337.6                           | 237.7             | 240.6                          | 93.4                   | 0.5                    | 0.1                     | 0        | 3.0   |
| 4 | of which: Collateralised by residential immovable property |                    | 0                               | 0                 | 0                              | 0                      | 0                      | 0                       | 0        | 0     |
| 5 | of which: Non-financial corporations                       |                    | 455.4                           | 258.2             | 89.3                           | 134.9                  | 132.7                  | 0.2                     | 0.3      | 98.0  |
| 6 | of which: Small and Medium-sized Enterprises               |                    | 381.1                           | 233.5             | 76.2                           | 95.7                   | 110.7                  | 0.2                     | 0.3      | 98.0  |
| 7 | of which: Collateralised by commercial immovable property  |                    | 74.4                            | 24.7              | 13.2                           | 39.2                   | 22.0                   | 0                       | 0        | 0     |

The loan-repayment moratoria were limited to a maximum of three months in the case of private customers, a maximum of six months in the case of commercial customers and a maximum of nine months in the case of corporate customers. There are currently no plans to modify the periods applicable under the agreed internal measures.

**TABLE 11: INFORMATION ON NEWLY ORIGINATED LOANS AND ADVANCES PROVIDED UNDER NEWLY APPLICABLE PUBLIC GUARANTEE SCHEMES INTRODUCED IN RESPONSE TO COVID-19 CRISIS**

|   | € million   | GROSS CARRYING AMOUNT |                    | MAXIMUM AMOUNT OF THE GUARANTEE THAT CAN BE CONSIDERED | GROSS CARRYING AMOUNT               |
|---|---|-----------------------|--------------------|--|-------------------------------------|
|   |   |                       | of which: forborne | Public guarantees received                             | Inflows to non-performing exposures |
| 1 | Newly originated loans and advances subject to public guarantee schemes | 40.7                  | 0                  | 0  | 0                                   |
| 2 | of which: Households  | 0                     |                    |  | 0                                   |
| 3 | of which: Collateralised by residential immovable property              | 0                     |                    |  | 0                                   |
| 4 | of which: Non-financial corporations                                    | 40.7                  | 0                  | 0  | 0                                   |
| 5 | of which: Small and Medium-sized Enterprises                            | 40.7                  |                    |  | 0                                   |
| 6 | of which: Collateralised by commercial immovable property               | 0                     |                    |  | 0                                   |

In Spain as well as in Germany, government guarantees were granted in lending business to alleviate the impact of the coronavirus pandemic. Corporate customers of Volkswagen Bank GmbH in both countries made use of these possibilities (e.g. KfW loan backed by government guarantee covering the credit risk).

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