

Credit Rating

Covered Bonds



Bausparkasse Wüstenrot AG

Hypothekendarlehenbriefe (AT) -
Residential Mortgage Covered Bonds
Performance Report - 2023Q1

Summary

The AAA rating with a Stable Outlook assigned to the covered bonds (Hypothekendarlehenbriefe (AT)) issued by Bausparkasse Wüstenrot AG are based on the bank's issuer rating (Conf / Conf), enhanced by seven notches of cover pool-support based uplift.

Governance support factors, in total, provide an rating uplift of up to five notches and, effectively, a floor against a deterioration in cover pool credit quality. This reflects our assessment of the strong governance support provided by the legal covered bond and resolution framework in Austria.

We have classified the interplay between complexity and transparency with a cover pool complexity (CPC) category of 'Low', allowing for a three-notch uplift on top of governance support factors, which translates into a maximum cover pool uplift of eight notches. Considering the regularly provided level of overcollateralisation, the cover pool could provide a one-notch buffer against an issuer rating downgrade.

The last credit rating action and its supporting rating rationale can be found on [scopeeratings.com](https://www.scopeeratings.com).

Covered Bonds

AAA

Outlook

Stable

Issuer

Conf

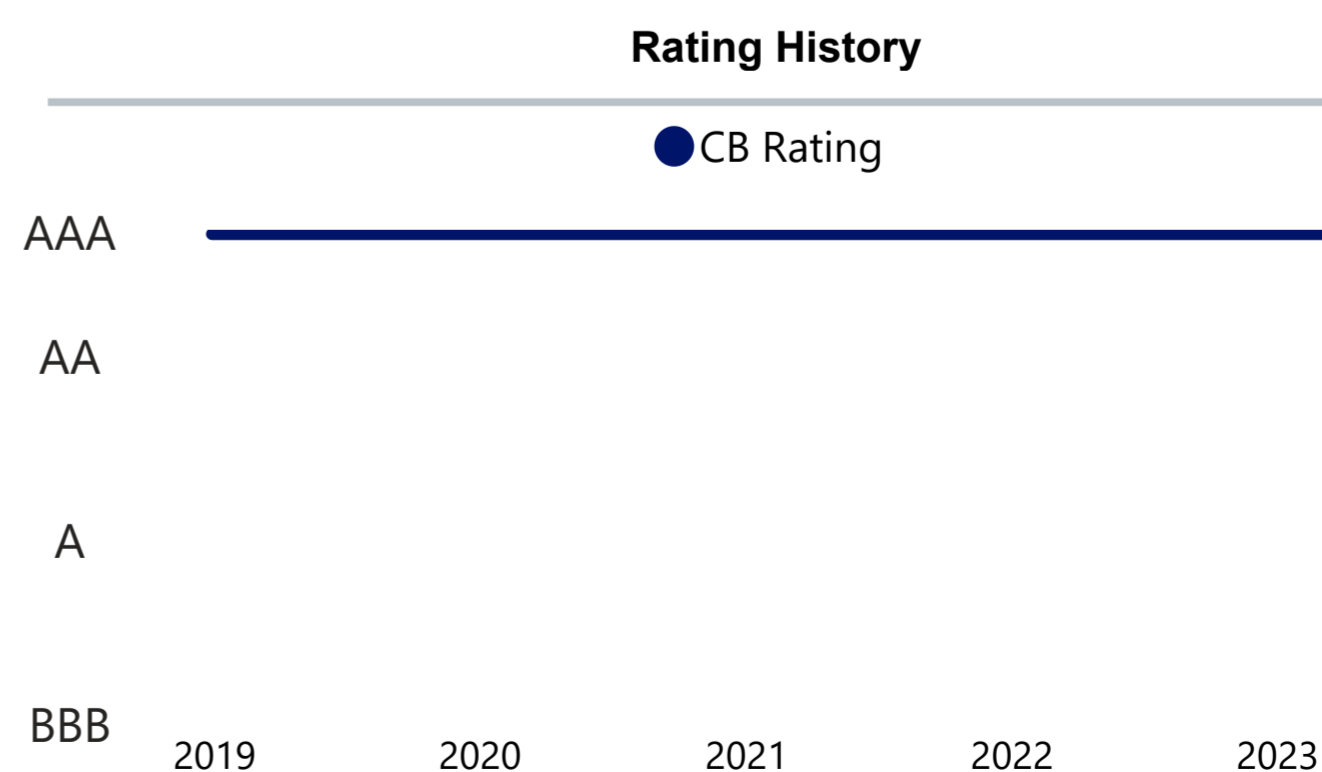
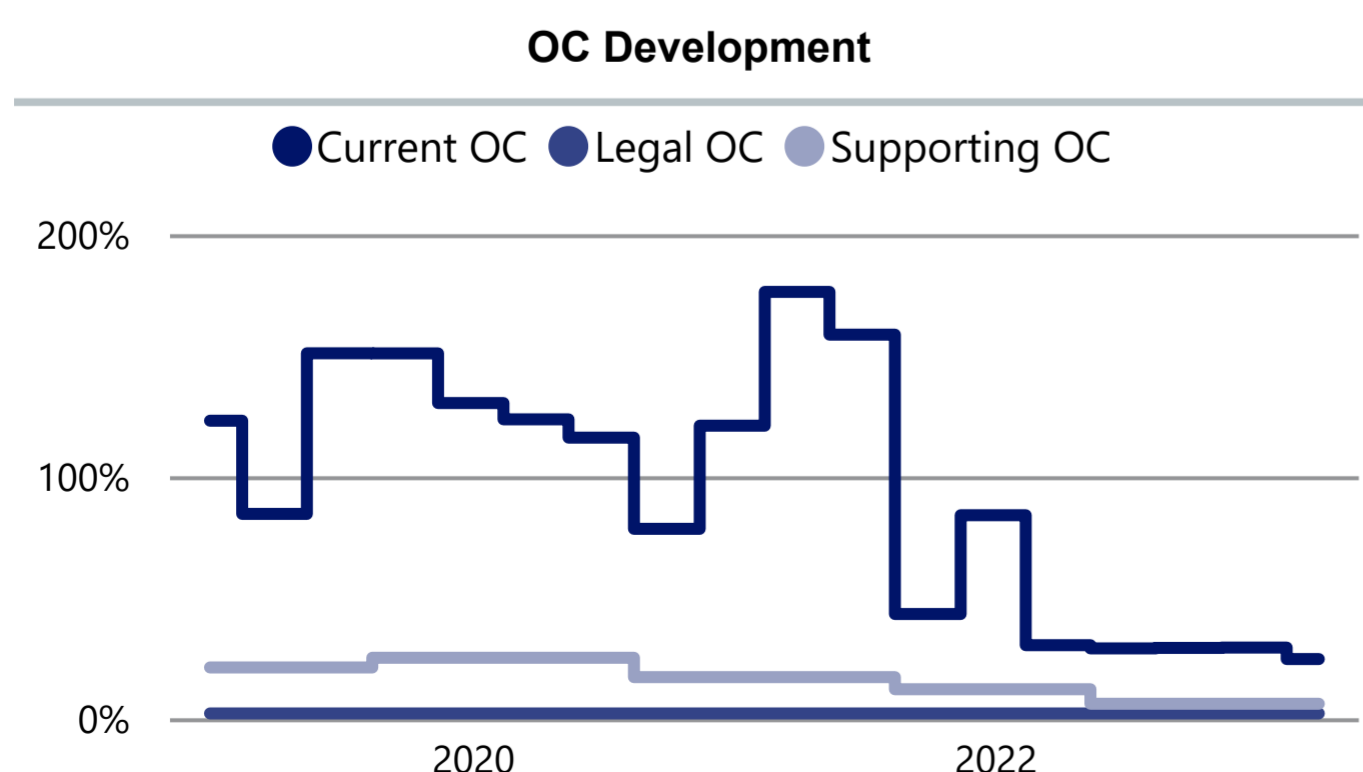
Outlook

Conf

Covered Bonds building blocks

GOVERNANCE SUPPORT	COVER POOL SUPPORT	MAXIMUM RATING DISTANCE	RATING UPLIFT
	Cover pool support +3	D8	(unused)
	Cover pool support +2	D7	AAA
	Cover pool support +1	D6	
Resolution regime +3	Governance support = Covered bond rating floor	D5	
Resolution regime +2		D4	
Resolution regime +1		D3	
Legal framework +2		D2	
Legal framework +1		D1	
Issuer Rating		D0	Conf

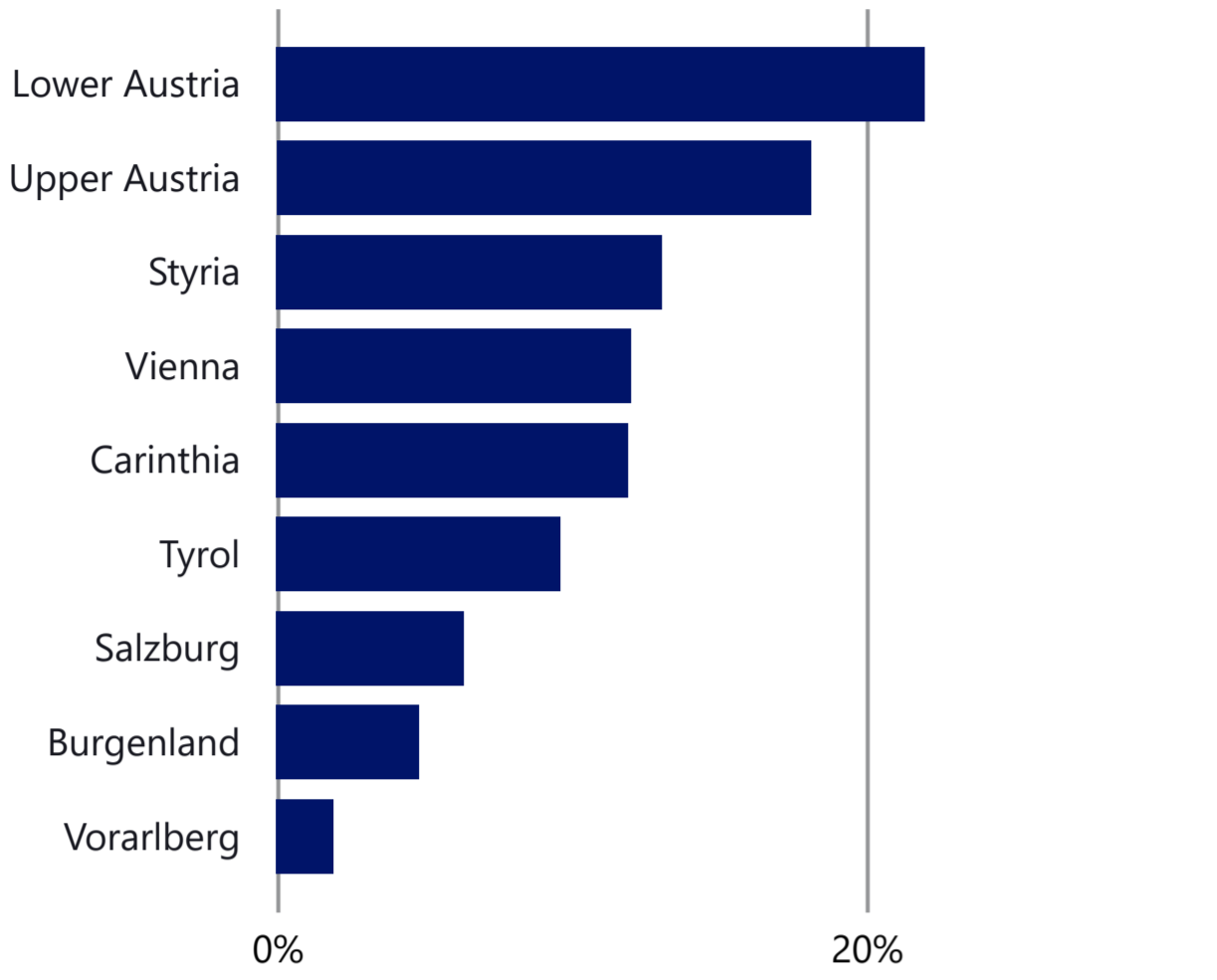
OC & Rating History



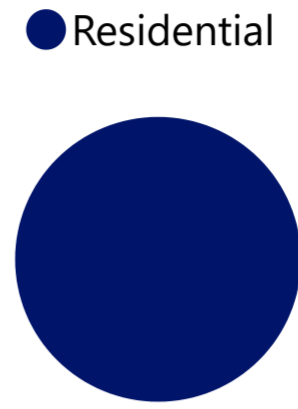
¹The credit rating(s) and outlook(s) provided in this document may not be shared with any unauthorised third party. Data shown is current as of 31 March 2023. This performance report has been created on 15 May 2023 but might have been made available on [scopeeratings.com](https://www.scopeeratings.com) on a later date.

Cover Pool Credit Risks as of 31 March 2023

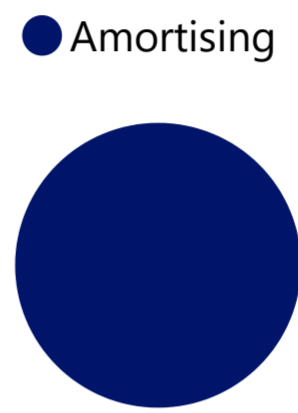
Geographical Distribution



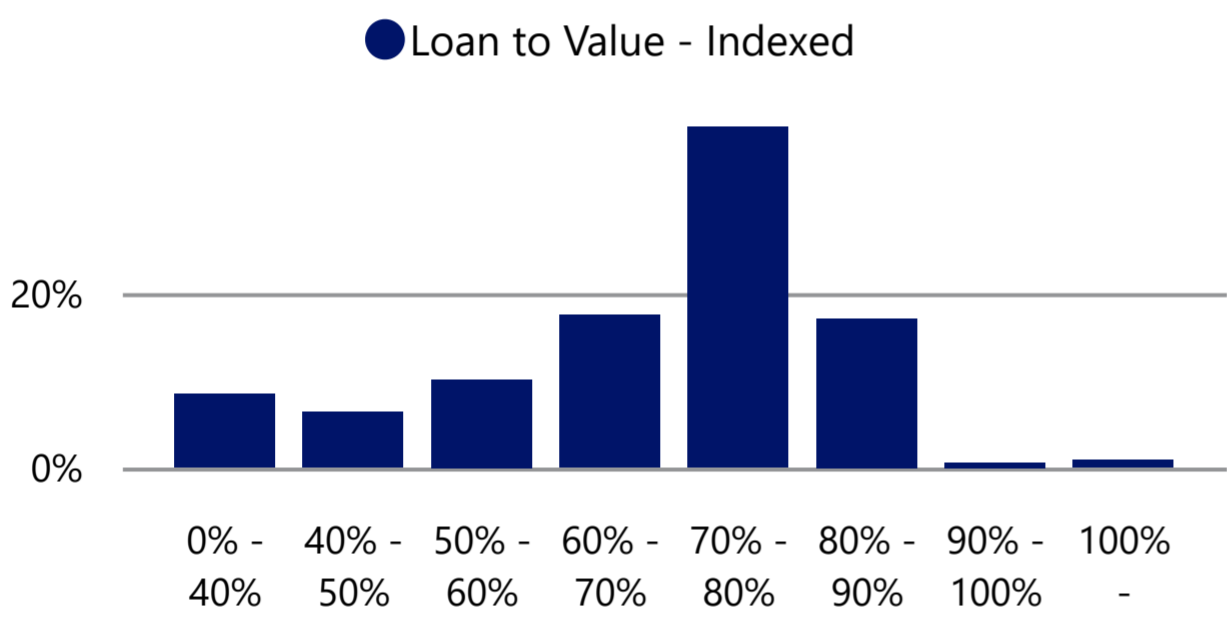
Collateral Type Distribution



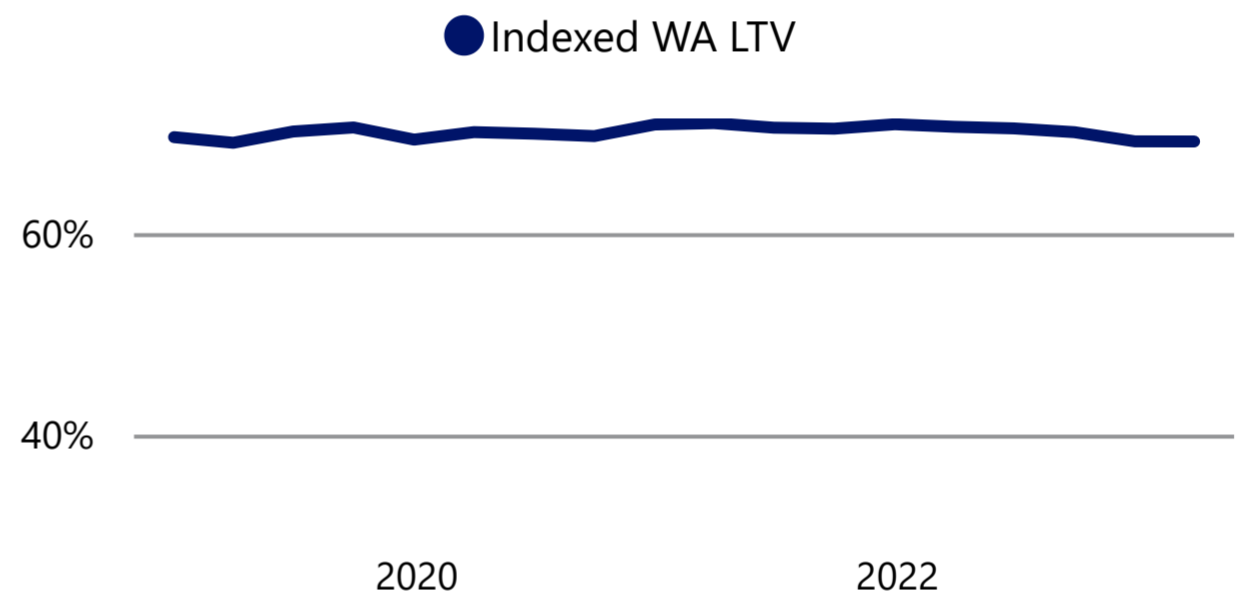
Repayment Type Distribution



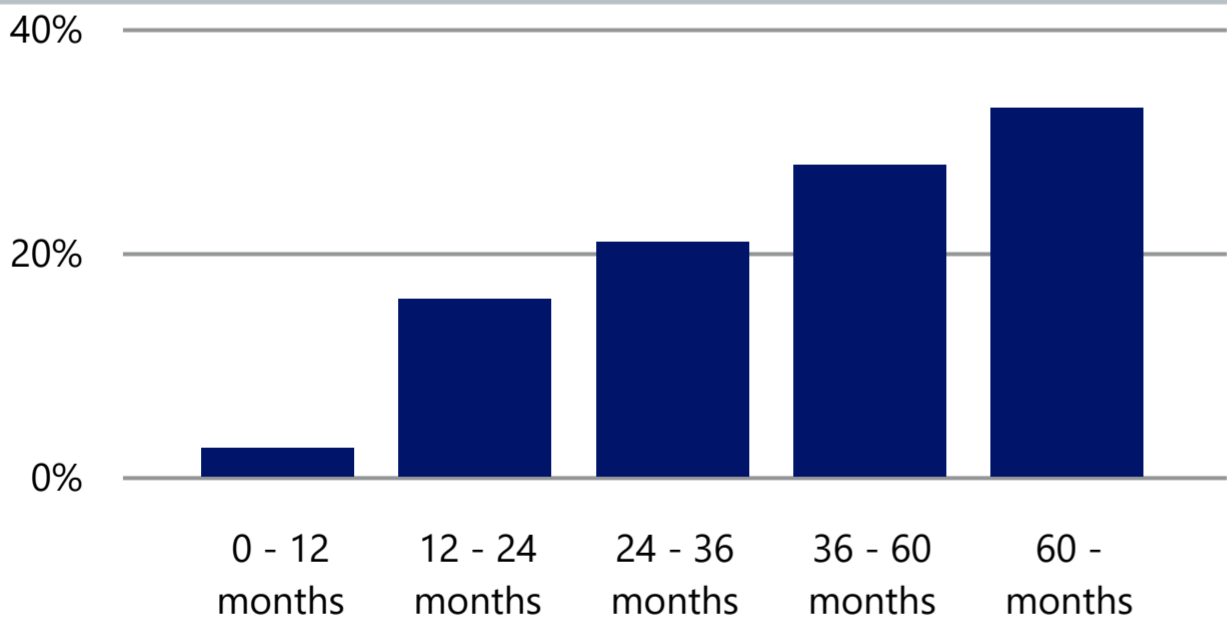
Loan to Value Distribution



Weighted Average Loan to Value



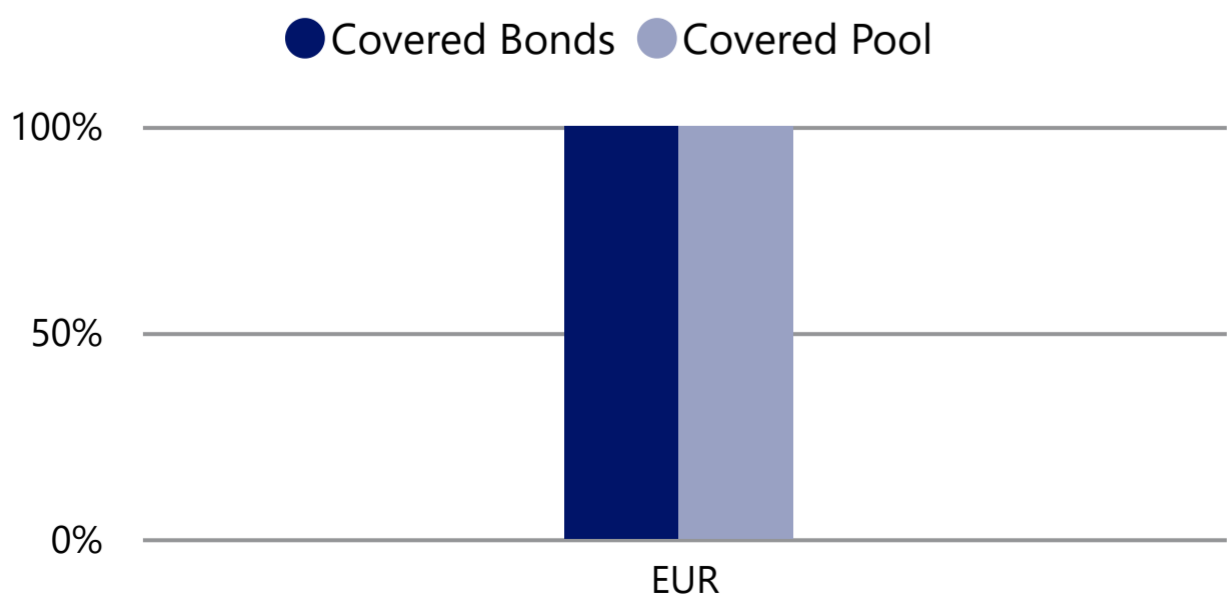
Seasoning Distribution



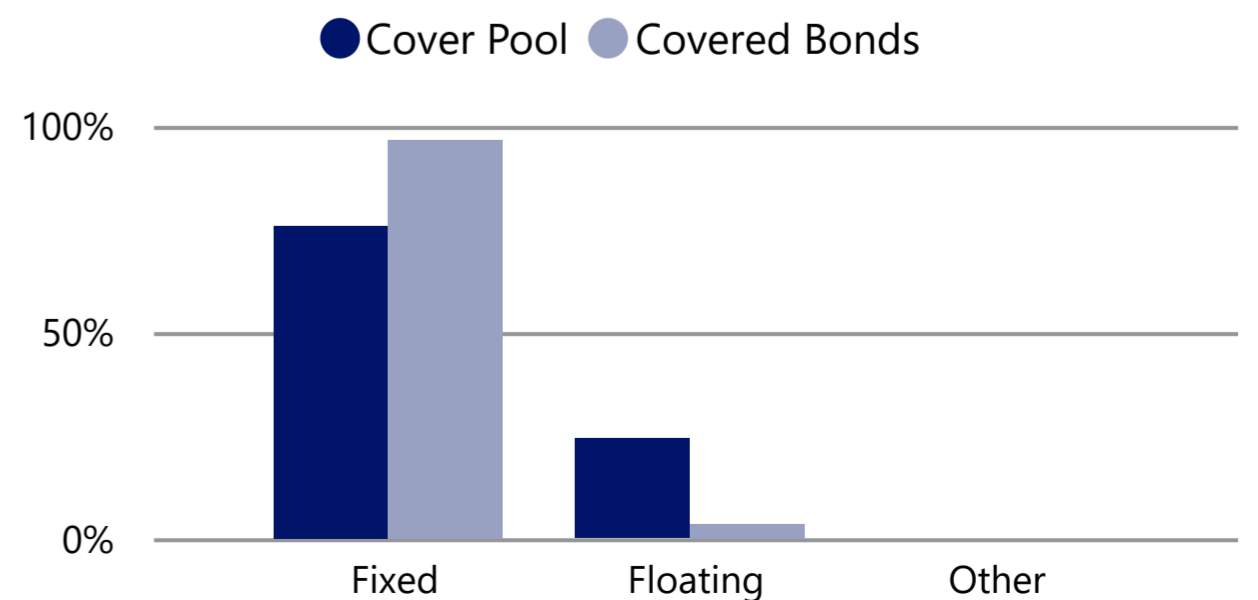
Weighted Average Seasoning & RTM (in months)

Cover Pool Market Risks as of 31 March 2023

Currency Distribution



Interest Rate Type Distribution



Summary of covered bond characteristics

Scope Metrics	2023Q1	2022Q1
CB Rating	AAA / Stable	AAA / Stable
Issuer Rating	Conf / Conf	Conf / Conf
Supporting OC	6.0%	12.0%
Legal Framework Uplift	2	2
Resolution Regime Uplift	3	2
CPC Category	Low	Low
Cover Pool Uplift (Max)	8	7
CoverPoolUplift (Unused)	1	0
General Information - Programme		
Cover Pool Size	1,632,878,119	1,326,574,719
Outstanding Covered Bonds	1,311,900,000	1,018,900,000
Legal OC	2.0%	2.0%
Current OC	24.5%	30.2%
Cover Pool Composition		
Mortgages	97.9%	98.1%
Public Sector	0.0%	0.0%
Substitute Assets	2.1%	1.9%
General information - Mortgage		
Number of Loans/Borrowers	13,851	11,469
Average Loan/Borrower Amount ('000)	115.42	113.47
Top 10	0.4%	0.5%
NPL	0.0%	0.0%
Unindexed WA LTV	NR	ND
Indexed WA LTV	69.1%	70.6%
Maturity Profile		
Cover Pool WAL (contractual; in years)	27.95	26.50
Covered Bonds WAL (initial; in years)	7.49	9.40
Covered Bonds WAL (extended; in years)	NR	ND
Cover Pool - Interest Rate Types		
Fixed	75.8%	71.5%
Floating	24.2%	28.5%
Other	0.0%	0.0%
Covered Bonds - Interest Rate Types		
Fixed	96.6%	95.6%
Floating	3.4%	4.4%
Other	0.0%	0.0%
Cover Pool - Currencies		
	EUR 100.0%	EUR 100.0%
Covered Bonds - Currencies		
	EUR 100.0%	EUR 100.0%
Regions (Top 3)		
	Lower Austria 22.0%	Lower Austria 22.1%
	Upper Austria 18.1%	Upper Austria 17.9%
	Styria 13.1%	Styria 12.7%

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Latest related research (see [here](#))

Current methodologies (see [here](#))

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