



Diversity Policy

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1 Diversity as Part of Our System of Values

1.1 Commitment of the Managing Board

The Managing Board is clearly committed to equal treatment, inclusion of LGBT+ employees and equal opportunities for the company's employees. Diversity is an integral part of our system of values and firmly rooted in the company.

At VOLKSBANK WIEN AG, the appreciation and equality of all employees comes first and is firmly rooted as a guiding principle.

The aim of "living diversity" is to create an organisational culture where no one is disadvantaged and everyone is able to develop and unfold their potentials. This increases productivity, motivation and social skills and brings sustainable success to the company and all employees. For us to achieve this goal, we take care to ensure a pleasant overall atmosphere based on fairness within the company and we strive to improve the equality of opportunities.

In our Code of Conduct, to which all employees are bound, we stipulate explicitly that we respect human rights and reject any form of discrimination.

Publication: Code of Conduct

<https://www.volksbankwien.at/hausbank/das-unternehmen/code-of-conduct>

The policies of VOLKSBANK WIEN AG are gender-neutral. This also includes, in particular, the remuneration policy, hiring policy, career development and succession planning, the access to further training, and the possibility to apply for vacancies within the company.

Reference is made to the written documents and/or their publication in the relevant chapters.

1.2 The Three Pillars of Gender Equality

It is not enough to stipulate gender equality in a Diversity Policy; strategic gender mainstreaming is required as well. The different living conditions and interests of our employees, whether dependent on their gender or not, need to be strategically considered at all levels of HR management to improve gender equality. For the relevant principles to become a natural reality, VOLKSBANK WIEN AG considers three pillars to be essential that all processes and measures are based on:

Address the institution

- Implementation of gender mainstreaming as part of corporate culture
- Implementation of gender mainstreaming within the company strategy
- Implementation of gender mainstreaming within corporate processes

Address knowledge

- Development of gender expertise among executives (cf. item 1.5.1.)
- Diversity management training
- Making success and achievements in this field visible

Address the figures

- Reduction of potential gender pay gaps
- Reduction of vertical and horizontal segregation of job profiles¹
- Increasing the number of women in executive positions

1.3 ILO Principles

1.3.1 Freedom of Association

Austria is a member state of the ILO.² One of the ILO's principles is the freedom of association and the right to collective bargaining.

VOLKSBANK WIEN AG and the Managing Board of VOLKSBANK WIEN AG are committed to these workforce rights, protected by the Arbeitsverfassungsgesetz (labour constitution act).

A works council has been existing at VOLKSBANK WIEN AG for decades. The freedom of association is guaranteed and confirmed by an employer/works council agreement.

Publication: INTRANET/works council agreements

1.3.2 Diversity Council

As elected employee representatives, the disability officers of VOLKSBANK WIEN AG represent the economic, social and health-related interests of employees with disabilities and chronic illnesses.

The works council of VOLKSBANK WIEN AG nominates a female equal opportunities officer.

1.4 Diversity Management – Training and Guidance

1.4.1 Training

The aim of diversity management is to create an organisational culture where everyone is able to develop and unfold their potentials. This will increase the performance, motivation and social skills of employees and make the company more successful. This does not only concern employees, but also customers and all other stakeholders of the organisation.

The executives of VOLKSBANK WIEN AG are trained to recognise and take account of the gender dimension in their executive functions. Gender expertise is no merely theoretical qualification, but includes working towards change with a view to gender mainstreaming within the scope of one's own leadership. The prerequisites are knowledge (cognitive aspects), skills

¹ "Male preserves" in executive positions and job profiles

² Ever since the year 1919, the International Labour Organization (ILO) has been bringing together governments, employers and employees from 187 ILO member states to stipulate labour standards, to work out strategies and to develop programmes that promote humane work for all women and men.

(the ability to act) and attitudes (wanting something). A person's reflective faculty adds to these competencies.

Special trainings address all employees and executives and include the following:

- Equal treatment
- Gender mainstreaming and diversity management
- Legal framework
- Strategies in case of violations
- Exercises using practical examples
- Highlighting and analysing conscious and unconscious discrimination in everyday situations
- Taking account of internal policies

Publication: INTRANET/education and training

1.4.2 Discrimination Policy

Bullying, discrimination for sex, ethnic origin, colour or religion, as well as sexual harassment at the workplace constitute serious threats to harmony at work and are considered violations of human dignity. They create a constricted, stressful and degrading working and learning environment that will frequently lead to health symptoms.

The Managing Board, the management of the Group participations, the HR department, and the works council are striving to recognise any conflicts emerging within the company as early as possible and to support the amicable settlement of such conflicts. This agreement is meant to protect affected persons and to encourage them to report any disruption of harmony at work and to refuse to accept any form of discrimination.

Open discussions with a constructive attitude among the parties concerned are the best way to counter any escalation of conflicts and to prevent bullying.

VOLKSBANK WIEN AG has introduced a policy against harassment, misconduct and bullying within the Group.

This policy stipulates what VOLKSBANK WIEN AG expects of its employees and of itself as an organisation, highlighting the company's commitment to ensuring a fair, respectful and professional working environment without any form of harassment, sexual misconduct and bullying. A corporate culture characterised by mutual respect at the workplace forms the basis for a positive in-house atmosphere and is therefore an important prerequisite for professional, needs-based work within the company.

Through this Policy and the processes stipulated therein, the company undertakes to prevent bullying, discrimination and sexual harassment, to encourage the development of a cooperative atmosphere and to ensure that the same is maintained.

This also applies to the advertising and presentation of the company in public.

Within the scope of their duty of care, all executives of the organisation are obliged, within their area of responsibility, to take appropriate measures in case of bullying, sexual harassment or discrimination and to offer support to the parties concerned.

Please refer to the current version of the employer/works council agreement for further details.

Publication: INTRANET/works council agreements

2 Gender Pay Equality Programme

VOLKSBANK WIEN AG monitors the development of the pay gap between women and men, taking measures to counter the same. This must also be guaranteed within the Association of Volksbanks.

2.1 Commitment and Policy

The working instruction on remuneration policy of VOLKSBANK WIEN AG is based on gender neutrality.

The remuneration policy of VOLKSBANK WIEN AG is gender-neutral, establishing the principles of equal pay as well as equal and equivalent work for all genders.

In addition to ensuring equal remuneration for all genders, the company also provides for equal opportunities as a prerequisite for gender-neutral remuneration in the long run.

2.2 Monitoring and Measurement

To ensure gender-neutral remuneration at VOLKSBANK WIEN AG, the following tools³ were developed and implemented:

1. Competence model
2. Job profiles
3. Job descriptions

2.3 Audit and Review

The general pay gap and its development are regularly monitored (responsible bodies and reporting). The proportion between the average remuneration of male and female employees is determined and its development monitored over time. The gender pay gap is meant to be monitored separately for defined categories of employees.

Any significant differences between the average remuneration of male and female employees will be documented and justified. Suitable measures will be taken.

Gender pay equality is monitored in case of individual and general salary adjustments.

Publication: IWM/Human Resources/policies, current version of V-ARL (working instruction of the Association) on remuneration policy

2.4 Segregation of Job Profiles

When it comes to the factors that explain any gender-specific pay gaps, VOLKSBANK WIEN AG pays special attention to analysing (vertical and horizontal) professional segregation. Gender pay gaps may also be due to the types of job profiles applicable to men and women working in a bank. It is noticeable, in particular, that the share of women in job profiles and executive positions requiring higher qualifications tends to decrease.

Therefore, female employees need to be hired, promoted and retained also in job profiles and executive positions requiring higher qualifications, namely through:

- Targeted recruiting
- Extension of options for women in training programmes
- Systematic encouragement of female employees to apply for vacancies
- Systemic development of women in job profiles requiring higher qualifications

3 Diversity Programmes

3.1 Advancement of Women

The primary goal of the advancement of women is to qualify women for executive and expert functions and to increase the share of women in executive and expert positions within VOLKSBANK WIEN AG.

³ For details refer to the document "Competence model and job profiles" (IWM)
ARL 3.22.001 Diversity Policy

The goal is

- to raise people's awareness for equal treatment of women and men
- to support the compatibility of work and family
- to use the multiplier function of female high potentials for all the women employed at VOLKSBANK WIEN AG
- to hire women for all vacancies advertised at executive and expert level to achieve a defined proportion of women in leadership functions

The progress of target achievement in terms of the share of women working at VOLKSBANK WIEN AG, within the Group, as well as the share of women in positions with management responsibility is indicated in the sustainability reports published by VOLKSBANK WIEN AG.

Publication: Sustainability report

<https://www.volksbankwien.at/investor-relations/berichte>

3.1.1 Women's Network

The women's network Better2Gether (B2G) is constantly working on new ideas and ways to support female high potentials in order to achieve these goals.

Under the motto of **WE MUTUALLY ENCOURAGE AND SUPPORT EACH OTHER**, the women's network intends to press ahead with those topics that are fit to help achieve the aforementioned goals step by step.

The network includes all female executives and high potentials who distinguish themselves through their commitment and expertise, who want to improve themselves and are ready to use the scope offered to shape the future.

The members of the women's network are invited to attend all information events for executives.

Publication: INTRANET/advancement of women

For more information please contact personal@volksbankwien.at.

3.2 Mentorship Programmes

Mentoring and sponsorship programmes can make a significant difference in executive careers. Executives can learn from their mentors, while networking with relevant colleagues and other executives to create life-changing career opportunities. For this reason, we have several mentoring programmes for our employees, talents and executives.

- WoMentoring
- Mentoring – Learning Support during Education

For more information please contact personal@volksbankwien.at.

3.2.1 WoMentoring

Participation in the WoMentoring programme aims at further strengthening equal opportunities for career-minded women and at intensifying the exchange between mentees from among female high potentials and their mentors.

Publication: INTRANET//WoMentoring

3.2.2 Mentoring – Learning Support during Education

See item 4.4.2 on the mentoring programme during education.

3.3 Gender-neutral Family Policy

In the past years and decades, profound social changes have taken place in the spheres of marriage and family. At VOLKSBANK WIEN AG, diversity in the ways people live together as partners and families is accepted without reservations. In the course of these developments, also legal rights are being confirmed in a gender-neutral way. The collective agreement for salaried employees of commercial credit cooperatives defines the social partners' commitment to equal treatment:

§ 2h Equal treatment: "In the context of an employment, no person may be directly or indirectly discriminated against, in particular in relation to measures aimed at education, training and retraining, due to their gender, in particular referring to their civil or family status."

Publication: Collective agreement for salaried employees of commercial credit cooperatives; INTRANET/collective agreements

VOLKSBANK WIEN AG facilitates the re-integration of employees following illness, maternity and paternity leave.

We support the compatibility of work and family and provide our employees with comprehensive information on this topic.

Publication: INTRANET/work and family

3.3.1 Equal Treatment of Civil Unions

In terms of the entitlements derived from the collective agreement for salaried employees of commercial credit cooperatives, civil unions have been equal to marriage for many years.

Publication: Collective agreement for salaried employees of commercial credit cooperatives on the INTRANET/collective agreements

3.3.2 Parental Leave

VOLKSBANK WIEN AG is convinced that childcare, re-integration and support after parental leave in businesses should not exclusively be women's topics; instead, from a socio-political perspective, due to changing family structures, they concern both men and women in equal measure. This equality of rights after the birth of a child for both parents is of fundamental importance for the gender-neutral facilitation of the compatibility of work and family, and for employee retention.

3.3.3 Part-time Leadership

The topic of part-time leadership has been addressed actively as well, in order to enable more employees, who more often work part-time for family reasons, to assume management positions. Leadership and part-time work can well be compatible under certain basic conditions, and VOLKSBANK WIEN AG is striving to create these basic conditions.

3.3.4 Family-friendly Working Hours

Apart from written agreements on flexible working hours and flexible places of work, VOLKSBANK WIEN AG has defined meeting-time-guidelines for an optimised compatibility of work and family.

Publication: INTRANET/work and family

3.3.5 Certified as Family-friendly Employer

We are part of an open, vibrant society, which also entails family as well as extra-professional duties. Therefore we consider it very important to offer our employees extensive opportunities to manage their work-life balance, in addition to individual employee benefits.

For this reason, within the scope of the “berufundfamilie” audit, VBW has defined targets, worked out measures, and has committed to implementing the same. This includes the internal transfer of information on all topics around the compatibility of work and family, awareness building and training of executives, as well as internal structures with a view to implementing a sustainable, family-minded HR strategy geared towards the various stages of life of employees. The national seal of quality certifies that the company has created needs-based basic conditions for a family-friendly working environment.

Publication: Certification as family-friendly employer

<https://karriere.volksbankwien.at/ihre-vorteile-bei-der-volksbank-wien/vereinbarkeit-beruf-familie/>

4 Human Capital Development

In order to achieve the jointly defined goals of diversity and the advancement of women, specific measures have been developed and implemented.

4.1 Gender Recruiting

The advertisement of vacancies, in particular of executive vacancies, provides for the selection of ideal candidates while complying with the requirement of equal treatment of all applicants.

The binding process as well as any objectively justified exceptions are set down.

For instance, within the scope of the recruiting process, the individual applicants are assessed in terms of educational and professional background, sector expertise, gender and age to ensure an appropriate degree of diversity.

A binding transparent process, set down in writing, was guaranteed for the replacement of staff members and/or the filling of vacancies.

The advertisement procedure comprises the following stages: preparation, execution and decision. Each of these stages includes certain activities.

The job advertisements must comply with the transparency-principles.

Publication: INTRANET/advertisement of vacancies

4.2 Career Management, Education and Further Training (Career Development)

Gender-neutral job profiles, skills profiles and job families were defined within the scope of HR development; they group employees according to education and training and form the basis for

- Recruiting
- Personnel deployment
- HR development
- Identification of training needs
- Statutory requirements
- Common standards
- Remuneration and performance assessment
- Succession management

Publication: INTRANET/HR development

4.3 Performance Review - Appraisal Interview

The performance review or the structured appraisal interview is a binding leadership tool that will basically take place once a year in a one-to-one setting between the employee and their direct superior (e.g. department head, branch manager). It cannot be delegated.

On the occasion of the appraisal interview, the executive and the employee will discuss regular, specific or event-driven topics (target agreements, performance assessments, further training, personal feedback, opportunities for development, open questions, etc.). Software is used to assist the interviews.

In contrast to mere performance assessments, the appraisal interview is intended to improve communication, to create trust, and to convince employees of the company's goals.

4.3.1 Review

Based on the previous year's target agreements, the results achieved should be discussed. However, the factors that may have contributed to incomplete target achievement are equally important.

Publication: INTRANET/HR development

4.3.2 Open Feedback Culture

Training on giving feedback

Feedback is the basis of any trusting, successful cooperation. At VOLKSBANK WIEN AG, we use the opportunity to talk about collaboration, developments and goals – apart from daily topics. One essential aspect of the appraisal interview is the feedback of employees on their degree of satisfaction with their job situation. The questions are meant to serve as a thread for all aspects to be addressed if possible.

Understanding and being able to provide and accept feedback is essential for an open feedback culture.

We offer the training on giving feedback among all our colleagues.

Publication: IWM/ HR development

Innovation

VOLKSBANK WIEN AG has developed an platform to push ahead with new ideas and innovations in an open-minded setting. The platform provides employees with an opportunity to contribute their ideas for innovating or improving our company, whether in terms of products or operational processes, thus playing an even more important role in making VOLKSBANK WIEN AG successful.

4.4 Talent Development Initiative

4.4.1 Talent Training Course

Together with Volksbank Akademie, the talent training course was designed.

The target group are employees that demonstrate above-average commitment, a constant striving for further education/training, and who are willing to get involved in projects within their own division or across divisions.

The training course is meant to increase the visibility of talents within the company as well as opportunities for networking within the Association.

Participants look into the requirements they have to meet as future executives and/or experts in a constantly changing environment, making themselves familiar with relevant tools and their application.

The focus is on personal development and group work on defined project topics, helping participants to think outside the famous box.

For more information please contact personal@volksbankwien.at.

Publication: INTRANET/Human Resources

4.4.2 Mentoring – Learning Support during Education

Within the scope of the mentoring programme “Learning Support during Education”, experienced mentors support our junior/young employees in training throughout their entire training period.

Objectives and benefits:

- Skills are recognised more easily and development potentials are realised
- Awareness of self-reliance in the learning process is intensified
- Enhancing of reflective and communicative skills
- Sustainable networking of employees within the Association provides for improved communication
- Quality assurance for the sustainable education
- The employees' loyalty is strengthened

Publication: INTRANET/Human Resources

5 Succession Rules for the Managing Board and Supervisory Board

Apart from the rules contained in the current version of the Fit and Proper Policy, aimed at ensuring the fitness of individuals to serve on the Managing Board and the Supervisory Board, appropriate rules have been stipulated regarding the assessment of their collective fitness as a basis of succession planning for the Managing Board and the Supervisory Board.

The knowledge, skills and experience required have been defined. In appointing the members of the respective boards, care is taken to consider a wide range of abilities, characteristics and skills in order to obtain a variety of views and experiences and to facilitate independent opinion formation as well as efficient and balanced decision-making within the Managing Board and the Supervisory Board.

For instance, within the scope of the appointment process, the individual members are assessed in terms of educational and professional background, sector expertise, gender and age to ensure an appropriate degree of diversity.

This objective is to be achieved by ensuring that, in the event of a resignation, the member concerned will be replaced by a woman, provided that a suitable female candidate is available.

Care is also being taken – specifically regarding Managing Board members – to make the selection procedure more objective and to increase transparency both in job profiles and requirements and in decision-making criteria for appointments.

Significantly important credit institutions are required to set target quotas for the underrepresented gender on the Managing Board and the Supervisory Board. The quota for the underrepresented gender on the Managing Board and the Supervisory Board was set at 25 %. This quota has been achieved.

The requirements of the act on equal opportunities for women and men on supervisory boards (GFMA-G) are met.

Publication: INTRANET/Fit and Proper Policy

6 Succession Policy

One of the tasks of the nomination committee of VOLKSBANK WIEN AG is succession planning for the Managing Board members. Within the scope of general regular HR planning, therefore, attention must be paid to adequate succession planning. In the course of this procedure, the development needs of the proposed successors will be identified and the further development goals and steps will be determined.

The transparent selection procedure for the relevant appointments is governed by an internal working instruction.

Publication: INTRANET

7 Summary

The following measures are taken at VOLKSBANK WIEN AG to increase diversity:

- Clear commitment by the Managing Board
- Diversity as part of our system of values.
- Guiding principles and policies in written form
- Diversity management and diversity training
- Discrimination Policy
- Gender Pay Gap Programme
- Diversity programmes and advancement of women
- Mentoring
- Gender-neutral family policy
- Gender recruiting
- Career development programmes and job profiles based on defined skills profiles
- Talent programmes
- Succession Policy