S&P Global
Ratings

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Volkswagen Bank GmbH

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Volkswagen Bank GmbH

Ratings Score Snapshot

Issuer Credit Rating
BBB+/Stable/A-2

SACP: bbb+ → **Support: 0** → **Additional factors: 0**

Anchor	bbb+	
Business position	Constrained	-2
Capital and earnings	Very strong	+2
Risk position	Adequate	0
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

ALAC support	0
GRE support	0
Group support	0
Sovereign support	0

Issuer credit rating
BBB+/Stable/A-2

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Very strong capitalization and stable revenue base.	Monoline business model with some new business dependence on the parent's auto sales and brand reputation.
Deep integration into Volkswagen AG's (VW's) captive finance value chain, with clear strategic objectives.	Concentrated exposure and volatility in the car finance business.
Stable retail deposit base.	About 50% of loans in countries with higher economic risks than Germany.

Volkswagen Bank GmbH's (VW Bank's) strong earnings and product offering support VW's mobility strategy. As a fully-owned captive finance subsidiary of German car producer VW (BBB+/Stable/A-2), VW Bank's core strategic business purpose consists of promoting the sale of VW products, supporting VW dealers, and strengthening customer relationships. S&P Global Ratings does not expect this role will change in the foreseeable future, but rather be supported by the important role of promoting the sale of electric vehicles, a clear focus for the group.

VW's reorganization plan will not dilute VW Bank's strategic importance. VW's plan to combine most of its European captive finance activities, including VW Bank and Volkswagen Leasing GmbH, under a new European Central Bank (ECB)-regulated entity by mid-2024 will likely not change the strategic role of captive activities within the group. The new organizational structure will enable VW to use VW Bank's deposit franchise to fund its anticipated strong growth in the financial services business in Europe and its mobility strategy. After the reorganization, Volkswagen Financial

Services AG (VW FS) will consolidate non-European business activities outside of the ECB-regulated perimeter. We assume that the enlarged European captive entity will be able to meet the ECB's capital requirement on a consolidated basis. It will manage the additional capital requirement either on its own, for example through earnings retention, or through capital injections from VW, on the basis of capital shifts within the financial division of the group. We also assume that VW FS will build a large enough capital buffer to cover the likely increase in residual value risk resulting from the more concerted move toward leasing. We understand that the dialog with the Single Resolution Board on the resolution strategy and the potential minimum requirement for own funds and eligible liabilities (MREL) is still ongoing. We also understand that existing domination and profit-and-loss transfer agreements will be transferred between VW Bank GmbH and VW FS Europe AG since VW Bank GmbH will become a subsidiary of VW Financial Services AG.

VW Bank's very strong capitalization will remain its main rating strength. We project the bank's capitalization, absent any effects from the reorganization, will remain very strong, with an expected S&P Global Ratings risk-adjusted capital (RAC) ratio of 20.3%-20.5% over 2024-2025, down from 21.4% as of year-end 2022. The reduction results from the revised economic risk score for Germany in 2023 and related increased risk weights. As the annual local GAAP result is transferred to VW, we expect a moderate increase in risk-weighted assets (RWA) will outpace built-up capital, absent any capital injections.

The bank's financial performance will weather the weak economic environment. We expect low consumer sentiment, reduced affordability due to higher interest rates, and VW's slower growth in sales volumes will weigh on loan growth in 2024. This is only partially offset by the increasing share of used car lending. In the higher rate environment, VW Bank's net interest margin should prove relatively resilient over 2024-2025. We expect credit losses will remain below the 26 basis points (bps) of 2022. Overall, this should result in good profitability, with an annual net income of about €500 million and a return on equity of about 5%, factoring in extraordinarily strong capitalization.

Outlook

The stable outlook reflects our view that VW Bank will maintain fairly steady financial performance over the next two years and very strong capitalization, while continuing to play an important role in VW's value proposition. We will assess any effect from the reorganization of captive finance activities when more details become available.

Downside scenario

We view a downgrade of VW Bank as remote as long as VW maintains its credit strength. We would only consider downgrading VW Bank if we observed that its strategic relevance to the group, expressed by its core group status, had weakened along with its stand-alone credit profile (SACP). A negative rating action on the parent alone would likely not lead us to downgrade the bank, reflecting our assessment of it as an insulated entity.

Upside scenario

We would consider an upgrade of VW Bank if VW's capacity to provide extraordinary support to VW Bank--if necessary--increased because of an improvement in VW's credit profile. While less likely, we could also consider an upgrade if the bank managed to improve its business stability through further diversification or if it could materially boost its risk-adjusted profitability through more efficient operations.

Key Metrics

Volkswagen Bank GmbH--Key ratios and forecasts

	--Fiscal year ends Dec. 31--				
(%)	2021a	2022a	2023f	2024f	2025f
Growth in operating revenue	-0.6	-3.9	1.0-3.0	1.0-3.0	1.0-3.0
Growth in customer loans	-9.3	5.2	2.5-3.5	0.5-1.5	1.0-3.0
Net interest income/average earning assets (NIM)	2.7	2.6	2.5-2.7	2.5-2.7	2.5-2.7
Cost-to-income ratio	46.5	47.0	48.5-51.0	50.0-52.6	51.3-54.0
Return on average common equity	7.4	4.2	4.2-5.1	4.2-5.2	4.1-5.0
New loan loss provisions/average customer loans	-0.3	0.3	0.1-0.3	0.1-0.3	0.1-0.3
Gross nonperforming assets/customer loans	2.4	2.4	2.7-3.0	2.3-2.5	2.3-2.5
Risk-adjusted capital ratio	22.5	21.4	20.0-21.0	20.0-21.0	19.8-20.8

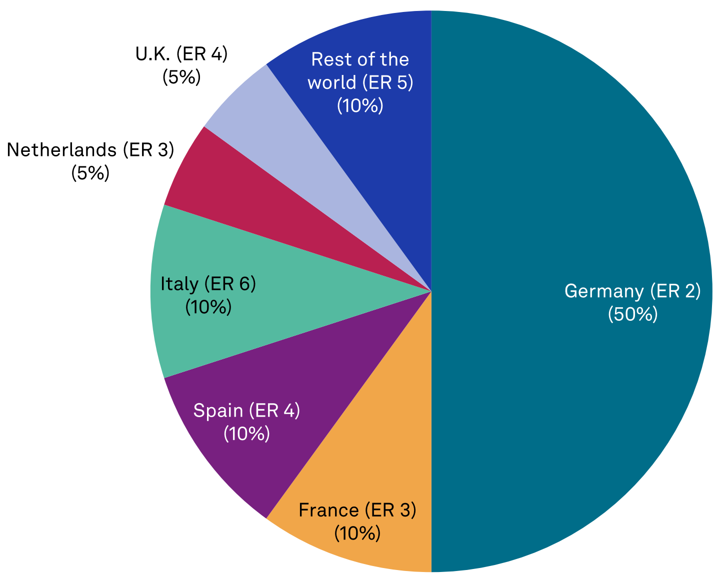
All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'bbb+' For A German Bank With European Exposure

Under our Banking Industry Country Risk Assessment (BICRA), the anchor for VW Bank, which operates predominantly in Germany, is 'bbb+', reflecting our economic risk assessment of '2' and our industry risk assessment of '4' (on a scale of 1-10, with '10' signifying the highest risk). We view the trends for economic risk and industry risk as stable.

Chart 1

VW Bank's loan portfolio is mainly exposed to Germany, but also higher risk countries



ER--Economic risk. Source: S&P Global Ratings.

Our economic risk assessment considers that the German economy has a demonstrated ability to absorb large economic and financial shocks based on its wealth and the government's ample flexibility for countercyclical measures, including substantial fiscal stimulus and additional wide-ranging support. Accordingly, our base-case scenario considers that economic risks for German banks are fairly limited by global standards, as German households, corporates, and public finances should be largely cushioned from the fallout related to geopolitical stresses. The stable economic risk trend signals our expectation that economic resilience, improved balance sheets, and higher capital buffers provide German banks with meaningful buffers against further economic deterioration.

Our industry risk assessment of Germany considers that we expect high competition will continue to weigh on the sector's longer-term profitability. This is despite the recent inflation-induced jump in interest rates, which helped boost banks' net interest margins for now. We believe German banks operate in a highly competitive and structurally overbanked market. While pressure on net interest margins has abated for now, we think German banks still lag peers in terms of revenue diversification, cost efficiency, and digitalization.

Business Position: Constraints From Being A Monoline European Auto Finance Provider

VW Bank's narrow business profile is the main rating constraint. As VW's domestic captive finance bank, VW Bank's focus lies almost exclusively on car financing. This view is in line with our assessment of most peer captive finance subsidiaries in Europe, such as FCE Bank and Banque Stellantis France. We note, however, the sound financial prospects of VW Bank's strong regional European business diversity, with material operations in nine EU countries.

VW Bank's strategy remains aligned with that of its parent. It provides banking services, supports vehicle sales across Europe, and promotes customer loyalty. This also means the bank relies on the fortunes of its parent in terms of new car sales and brand recognition.

The lending business comprises vehicle-related loans to retail customers, business customers, and dealers, and auto loans on VW's HeyCar platform (a joint venture with Allianz, Renault Group, and RCI Bank and Services), including loans for non-VW related brands. We expect HeyCar will contribute to increase the share of used car and non-VW brand financing and provide good growth prospects in its key U.K. and French focus markets.

In our view, VW Bank's direct banking activities in Germany and its increased customer deposits of €34.6 billion as of first-half 2023 provide (i) stability to its business model, notably in terms of funding, and (ii) additional fee income from brokered banking products. Among others, the bank and its partners provide mortgage loans and investment products for retail customers.

Capital And Earnings: Stable Earnings Support Very Strong Capitalization

We believe VW Bank will maintain its key rating strength of very strong capitalization and good earnings generation, reflecting also its commitment to maintain high capital ratios at its EU banking business. We expect our RAC ratio, which was 21.4% at year-end 2022, will reduce to about 20.5% in 2023 because of higher economic risk in Germany and an increase in RWAs. Considering that local GAAP results under HGB will be distributed to VW based on the domination and profit-and-loss transfer agreement, we expect relatively stable equity under IFRS.

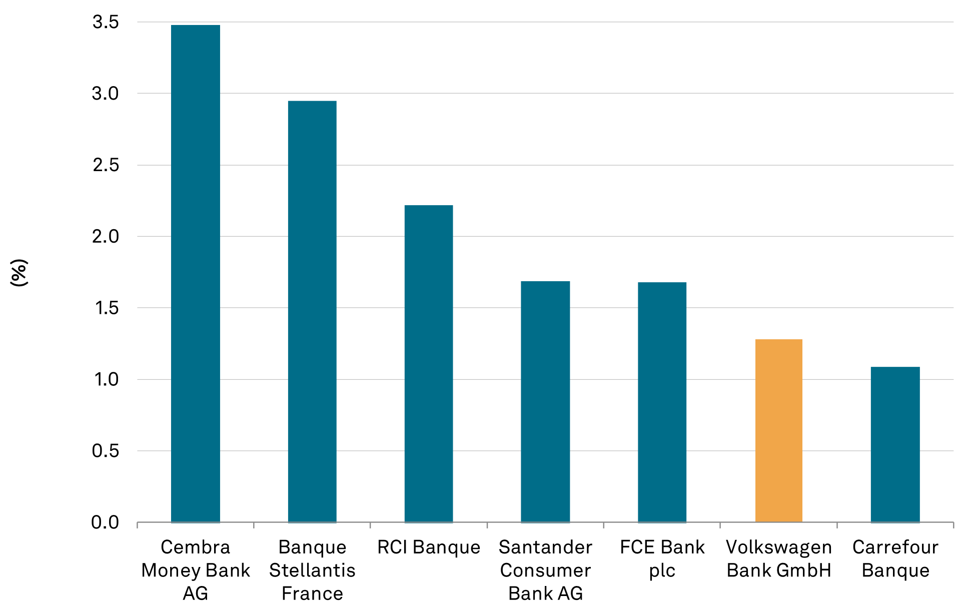
In our base-case scenario for the coming two years, we expect:

- Moderate loan growth of 1%-3% annually, reflecting low volumes in new car financing but higher growth rates in used cars.
- A stable net interest margin of about 2.6%.
- Material inflation of about 4%-7% annually.
- Cost of risk normalizing at about 20 bps.
- Annual net income under IFRS of about €500 million over 2023-2024.

Apart from very strong capital ratios, good pre-provision operating income provides a sufficient buffer to cover normalized losses. We project the three-year average earnings buffer will remain solid, at 120 bps to 130 bps, indicating that VW Bank's annual earnings, after deducting our assumed annual normalized losses, provide a good buffer for even higher losses. VW Bank's three-year average earnings buffer compares favorably with that of many domestic and international universal banks but is weaker than that of most rated captives and consumer-finance-focused peers.

Chart 2

VW Bank's risk-adjusted profitability is slightly below that of consumer-finance-focused peers but still strong, compared with universal peers



Three-year average earnings buffer as of 2022, 2023 (estimated), and 2024e (estimated). Source: S&P Global Ratings.

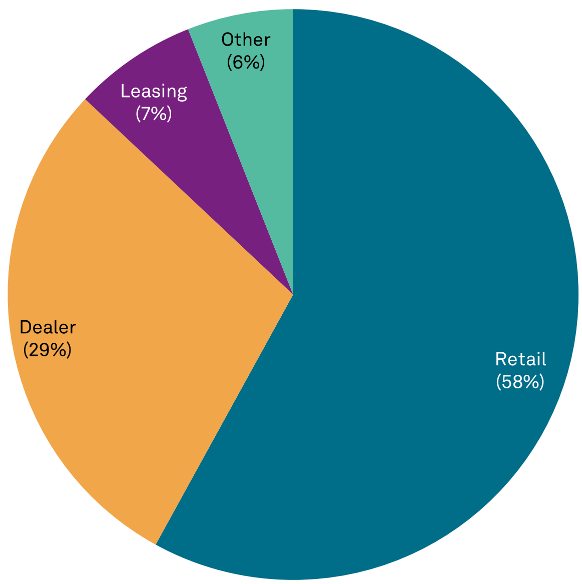
Risk Position: Sound Asset Quality And Prudent Risk Management Balance Auto Sector Concentration

We assess VW Bank's risk position as a neutral rating factor because we believe risks from the bank's domestic and European auto loans and dealer financings are adequately captured in our RAC ratio. VW Bank's auto loans are highly collateralized, and we see its loss experience as in line with peers'.

The bank's retail auto loan exposure (€28 billion as of mid-year 2023) is granular, highly collateralized, and principally to customers in European countries with relatively lower risks. Although dealer exposure (€14 billion as of mid-year 2023) inherently features single-name concentration, we consider the strong collateralization and good loss performance as mitigating factors.

Chart 3

Retail customers dominate VW Bank's loan portfolio



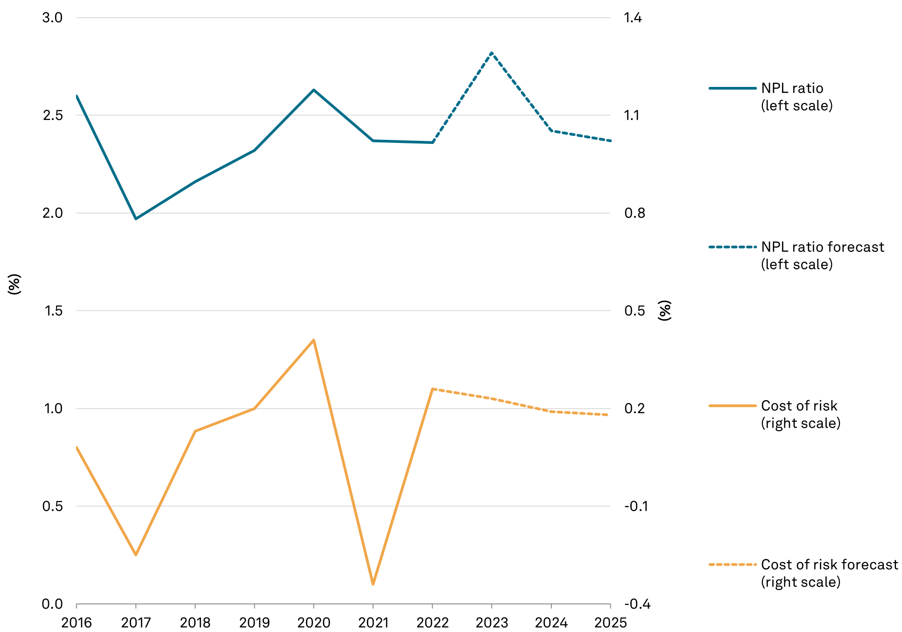
Source: S&P Global Ratings.

VW Bank has low residual value risk because the leasing business is mainly executed at VW FS, except in France. Generally, we believe the risks the bank assumes show low complexity.

VW Bank's asset quality is adequate and largely in line with that of peer captive financing subsidiaries. We expect nonperforming loans will remain between 2.4%-2.8% over 2023-2025, compared with 2.4% of total loans in 2022. At the same time, we expect cost of risk will normalize at 15 bps to 20 bps over 2024-2025. Nevertheless, the current economic uncertainty, high inflation, and geopolitical tensions will pose a threat to consumer sentiment, asset quality, and car demand over 2023-2025.

Chart 4

We expect VW Bank's credit quality will normalize over 2023-2025



NPL--Nonperforming loan. Source: S&P Global Ratings.

Funding And Liquidity: Granular Customer Deposits Lead To Adequate Funding Profile

We consider VW Bank's funding and liquidity position as in line with peers'.

The bank's access to a large deposit base, which accounted for about 65% of its funding at mid-year 2023, differentiates it from its captive finance peer group. Most customer deposits consist of granular retail deposits, largely covered by the legal deposit protection scheme, with the rest consisting of intercompany and institutional deposits. Although we generally consider direct bank customer deposits as more price-sensitive and less stable than those of large retail banks, VW Bank's deposit and customer base has, in our view, proven robust, underlining its deposit franchise. This makes it less sensitive to volatile wholesale funding sources, as demonstrated by the bank's stable funding ratio of 114.5% as of mid-2023. The bank's loan-to-deposit ratio improved to about 102% as of mid-2023, with wholesale funds covering the gap.

Wholesale funding exposes VW Bank to some refinancing risk, but the bank has access to uncommitted lines and assets eligible for refinancing at the ECB. A limited reliance on short-term wholesale funding resulted in a comfortable broad liquid assets to short-term wholesale funding (BLAST) ratio of 4.8x as of mid-2023. VW Bank's net broad liquid assets covered 30% of short-term customer deposits as of the same date, indicating a somewhat stronger liquidity profile than peers. Furthermore, we expect VW Bank would have access to funding from its parent in the event of financial distress.

Support: Credit Strength Is In Line With The Parent's

VW Bank remains a significant earnings contributor to its parent, and its captive finance operations are integral to the group's sales strategy. We therefore view VW Bank as having a core group status in VW's business model, indicating our expectation of likely group support under any foreseeable circumstances. We see the rating on VW as a floor for our rating on VW Bank, as long as the bank remains a core subsidiary.

At the same time, we consider VW Bank somewhat insulated from its corporate parent, making it potentially eligible for a rating above that on the parent if its SACP would justify this, which is currently not the case. This reflects VW Bank's regulatory status as a bank, its independent operational setup, and its funding independence from the parent, despite some intercompany funding. Regulatory restrictions regarding liquidity, capital, and funding could prevent VW Bank from supporting the group to an extent that would jeopardize the bank's creditworthiness.

Although VW Bank is subject to requirements for own funds and eligible liabilities that it already meets, we believe it would not be targeted for meaningful recapitalization but rather put into liquidation if it were to fail. This makes the ratings on the bank currently ineligible for uplift for additional loss absorbing capacity.

Environmental, Social, And Governance

We do not see ESG credit factors influencing VW Bank's credit quality in any way that materially differs from peers, and we view these factors as neutral to the rating. In our view, the bank's concentrated activities in car financing expose it to environmental risks to a somewhat larger extent than other banking peers. In particular, we see VW Bank as more exposed to carbon dioxide regulations for automakers in the EU and the secular shift to electrified vehicles. Nevertheless, the bank plays a key role in promoting the sales of electrified vehicles and, through this, reduces the negative environmental impact of VW's fleet. We consider VW Bank's exposure to governance and social risks is not materially different from that of industry peers.

Key Statistics

Table 1

Volkswagen Bank GmbH--Key figures					
	--Year ended Dec. 31--				
(Mil. €)	**H1 2023**	**2022**	**2021**	**2020**	**2019**
Adjusted assets	70,419.0	61,221.0	67,247.0	66,908.0	68,406.0
Customer loans (gross)	53,321.0	51,678.0	49,119.0	54,154.0	58,038.0
Adjusted common equity	10,353.2	9,425.1	9,924.6	9,116.2	8,976.0
Operating revenues	832.0	1,670.0	1,737.0	1,747.4	1,710.0

Table 1

Volkswagen Bank GmbH--Key figures (cont.)					
	--Year ended Dec. 31--				
(Mil. €)	**H1 2023**	**2022**	**2021**	**2020**	**2019**
Noninterest expenses	419.0	785.0	808.0	763.0	793.0
Core earnings	257.0	462.0	779.0	603.2	555.0

H1--First half.

Table 2

Volkswagen Bank GmbH--Business Position					
	--Year ended Dec. 31--				
(%)	**H1 2023**	**2022**	**2021**	**2020**	**2019**
Total revenues from business line (currency in millions)	832.0	1,670.0	1,737.0	1,844.0	1,713.0
Commercial banking/total revenues from business line	23.6	18.6	15.5	13.1	15.8
Retail banking/total revenues from business line	64.8	68.4	71.6	69.6	75.3
Commercial and retail banking/total revenues from business line	88.3	87.0	87.0	82.7	91.1
Insurance activities/total revenues from business line	N/A	5.0	5.7	6.5	7.8
Other revenues/total revenues from business line	11.7	8.0	7.3	10.8	1.1
Return on average common equity	4.7	4.2	7.4	6.6	5.0

H1--First half. N/A--Not applicable.

Table 3

Volkswagen Bank GmbH--Capital and earnings					
	--Year ended Dec. 31--				
(%)	**H1 2023**	**2022**	**2021**	**2020**	**2019**
Tier 1 capital ratio	18.2	18.3	19.0	18.1	15.6
S&P Global Ratings' RAC ratio before diversification	N/A	21.4	22.5	17.3	17.5
S&P Global Ratings' RAC ratio after diversification	N/A	20.3	22.6	17.5	17.7
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	88.3	87.0	87.0	87.3	91.3
Fee income/operating revenues	4.8	6.2	6.7	6.0	0.0
Market-sensitive income/operating revenues	-0.6	-0.1	-1.2	0.3	-0.2
Cost to income ratio	50.4	47.0	46.5	43.7	46.4
Preprovision operating income/average assets	1.3	1.4	1.4	1.5	1.2
Core earnings/average managed assets	0.8	0.7	1.2	0.9	0.7

H1--First half. N/A--Not applicable. RAC--Risk-adjusted capital.

Table 4

Volkswagen Bank GmbH--Risk-adjusted capital framework data					
(Mil. €)	**Exposure***	**Basel III RWA**	**Average Basel III RW(%)**	**S&P Global Ratings' RWA**	**Average S&P Global Ratings' RW (%)**
Credit risk					
Government and central banks	7,058	2,700	38	371	5
Of which regional governments and local authorities	950	0	0	34	4

Table 4

Volkswagen Bank GmbH--Risk-adjusted capital framework data (cont.)					
Institutions and CCPs	940	238	25	217	23
Corporate	18,475	16,038	87	13,230	72
Retail	32,593	24,413	75	18,409	56
Of which mortgage	0	0	0	0	0
Securitization§	491	175	36	246	50
Other assets†	3,871	3,063	79	6,880	178
Total credit risk	63,427	46,625	74	39,353	62
Credit valuation adjustment					
Total credit valuation adjustment	--	25	--	0	--
Market risk					
Equity in the banking book	25	25	100	204	815
Trading book market risk	--	338	--	506	--
Total market risk	--	363	--	710	--
Operational risk					
Total operational risk	--	3,525	--	4,011	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings' RWA**	**% of S&P Global Ratings' RWA**
Diversification adjustments					
RWA before diversification	--	51,000	--	44,073	100
Total diversification/ Concentration adjustments	--	--	--	2,330	5
RWA after diversification	--	51,000	--	46,403	105
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings' RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		9,220	18.1	9,425	21.4
Capital ratio after adjustments‡		9,220	18.3	9,425	20.3

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to tier 1 ratio are additional regulatory requirements (e.g. transitional floor or pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2022, S&P Global Ratings.

Table 5

Volkswagen Bank GmbH--Risk position					
	--Year ended Dec. 31--				
(%)	**H1 2023**	**2022**	**2021**	**2020**	**2019**
Growth in customer loans	6.4	5.2	-9.3	-6.7	-19.2
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	5.3	-0.5	-1.2	-1.0
Total managed assets/adjusted common equity (x)	6.8	6.5	6.8	7.3	7.6
New loan loss provisions/average customer loans	0.1	0.3	-0.3	0.4	0.2
Net charge-offs/average customer loans	N.M.	0.1	0.3	0.4	0.1
Gross nonperforming assets/customer loans + other real estate owned	2.3	2.4	2.4	2.6	2.3

Table 5

Volkswagen Bank GmbH--Risk position (cont.)

	--Year ended Dec. 31--				
(%)	H1 2023	2022	2021	2020	2019
Loan loss reserves/gross nonperforming assets	66.9	66.9	69.5	78.4	81.6

H1--First half. N/A--Not applicable. N.M.--Not meaningful. RWA--Risk-weighted asset(s).

Table 6

Volkswagen Bank GmbH--Funding and liquidity

	--Year ended Dec. 31--				
(%)	H1 2023	2022	2021	2020	2019
Core deposits/funding base	73.5	67.8	64.5	65.7	69.0
Customer loans (net)/customer deposits	126.1	157.2	140.7	149.8	148.9
Long-term funding ratio	95.5	95.0	97.2	92.3	93.9
Stable funding ratio	114.5	101.8	118.8	105.1	99.4
Short-term wholesale funding/funding base	5.4	6.1	3.4	9.2	7.2
Broad liquid assets/short-term wholesale funding (x)	4.8	2.4	8.4	2.1	1.7
Broad liquid assets/total assets	20.7	11.6	22.5	15.9	9.7
Broad liquid assets/customer deposits	35.0	21.9	44.2	30.0	17.4
Net broad liquid assets/short-term customer deposits	30.2	14.0	42.2	17.2	7.5
Short-term wholesale funding/total wholesale funding	20.3	19.1	9.5	26.9	23.2
Narrow liquid assets/3-month wholesale funding (x)	25.7	14.4	89.2	4.4	5.4

H1--First half.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Volkswagen 'BBB+/A-2' Ratings Off UCO; Affirmed Following Implementation Of New Captive Finance Criteria; Outlook Stable, Nov. 1, 2023

- Tear Sheet: Volkswagen AG, Aug. 9, 2023
- Bulletin: The Reorganization Of Volkswagen AG's Captive Finance Activities Will Not Dilute Their Intrinsic Strength, March 2, 2023
- Volkswagen AG, Feb. 21, 2023
- Banking Industry Country Risk Assessment: Germany, June 6, 2023
- Volkswagen Bank GmbH, Nov. 3, 2022

Ratings Detail (As Of November 7, 2023)*	
Volkswagen Bank GmbH	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Senior Subordinated	BBB
Senior Unsecured	BBB+
Short-Term Debt	A-2
Issuer Credit Ratings History	
24-Jun-2021	BBB+/Stable/A-2
12-Oct-2015	A-/Negative/A-2
24-Sep-2015	A/Watch Neg/A-1
Sovereign Rating	
Germany	AAA/Stable/A-1+
Related Entities	
Banco Volkswagen S.A.	
Issuer Credit Rating	
Brazil National Scale	brAAA/Stable/--
Navistar Financial, S.A. de C.V. SOFOM, E.R.	
Issuer Credit Rating	
CaVal (Mexico) National Scale	mxAA+/Stable/mxA-1+
Senior Unsecured	
CaVal (Mexico) National Scale	mxAA+
Short-Term Debt	
CaVal (Mexico) National Scale	mxA-1+
Scania AB (publ.)	
Issuer Credit Rating	BBB/Stable/A-2
Nordic Regional Scale	--/--/K-2
South Africa National Scale	zaAAA/--/zaA-1+
TRATON SE	
Issuer Credit Rating	BBB/Stable/A-2
Volkswagen AG	
Issuer Credit Rating	BBB+/Stable/A-2
Volkswagen Financial Services AG	
Issuer Credit Rating	BBB+/Stable/A-2

Ratings Detail (As Of November 7, 2023)*(cont.)	
Volkswagen Financial Services Polska SP. Z O.O.	
Senior Unsecured	A-2
Volkswagen Finans Sverige AB	
Issuer Credit Rating	
Nordic Regional Scale	--/--/K-1
Volkswagen International Belgium S.A.	
Issuer Credit Rating	BBB+/Stable/A-2
Volkswagen Leasing S.A. de C.V.	
Senior Secured *CaVal (Mexico) National Scale*	mxAAA
Short-Term Debt *CaVal (Mexico) National Scale*	mxA-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.