

SOLVENCY DISCLOSURE 2019

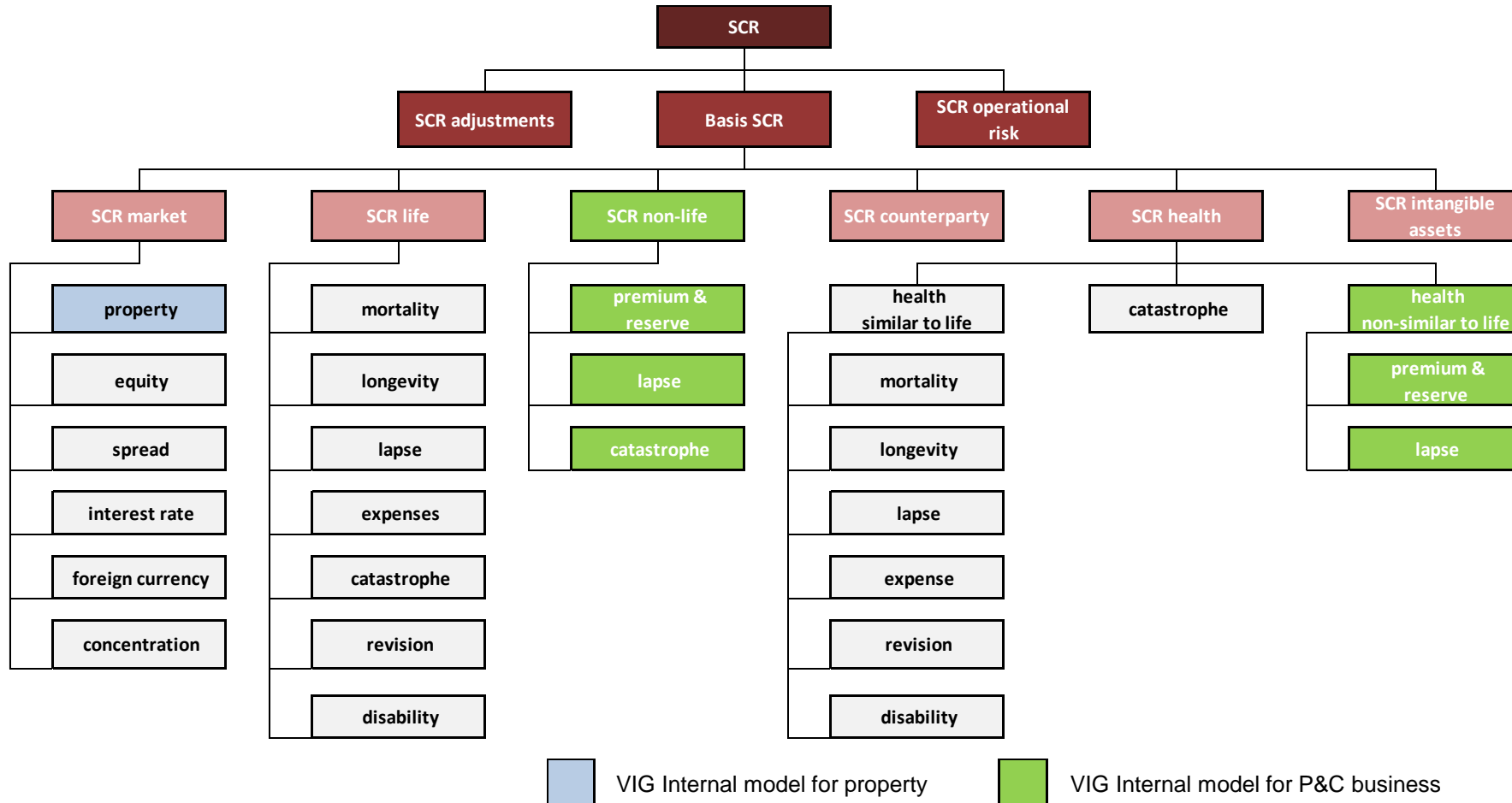
Vienna Insurance Group





SOLVENCY CAPITAL REQUIREMENT (SCR) OVERVIEW

Standard Formula and Partial Internal Model

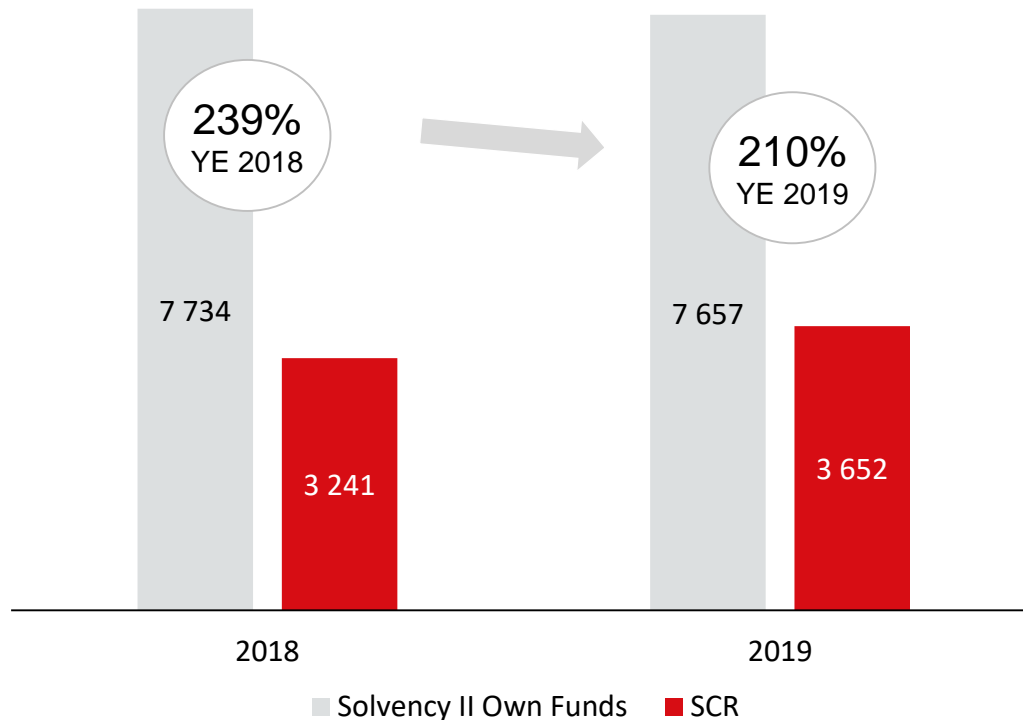


- Partial Internal Model of VIG approved by the Financial Market Authority (FMA) as of January 1, 2016

SOLVENCY RATIO OF VIG AS OF YE 2019 AT 210%

Solvency Position YE 2019 compared to YE 2018

in EUR million



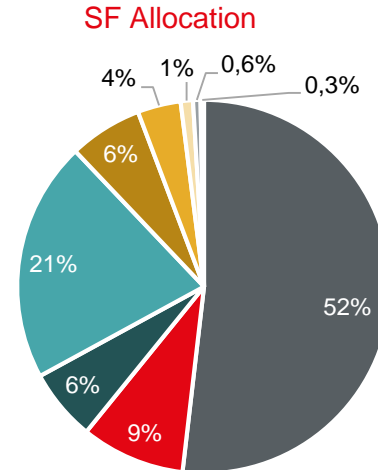
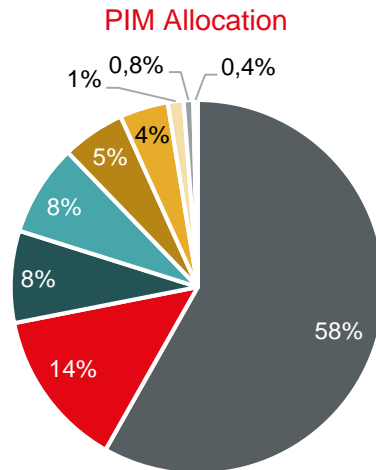
VIG AG in EUR million	31.12.2018	31.12.2019
Solvency capital requirement	3,241	3 652
Market risk	3,072	3,294
Counterparty default risk	326	353
Life underwriting risk	2,082	1,497
Health underwriting risk	326	564
Non-life underwriting risk	669	749
Intangible asset risk	0	0
Diversification	-1,935	-1,945
Basic solvency capital requirement	4,540	4,512
Operational risk	316	325
Loss-absorbing capacity of technical provisions	-1,264	-854
Loss-absorbing capacity of deferred taxes	-446	-435
Capital requirement for other financial sectors	62	34
Capital requirement for non-controlled participations	0	16
Capital requirement for residual undertakings	33	56
Eligible own funds	7,734	7,657
Solvency ratio	239%	210%

SOLVENCY CAPITAL REQUIREMENT

Allocation of Solvency Capital Requirement calculated with the Partial Internal Model

- **Market risk accounts for 58% of total solvency capital requirement**
 - 63% of total market risk consists of spread risk and equity risk
 - Interest rate risk and currency risk make up almost one third of total market risk
- **Life underwriting risk contributes to the total solvency capital requirement with 14%**
 - 69% of life underwriting risk derives from lapse risk
 - Second biggest driver is life expense risk with 23% of total life underwriting risk
- **Operational risk ranks third with 8% of total solvency capital requirement**
- **Non-life underwriting risk and health underwriting risk together correspond to 13% of total solvency capital requirement**

Risk profile PIM (210%) and SF (162%)



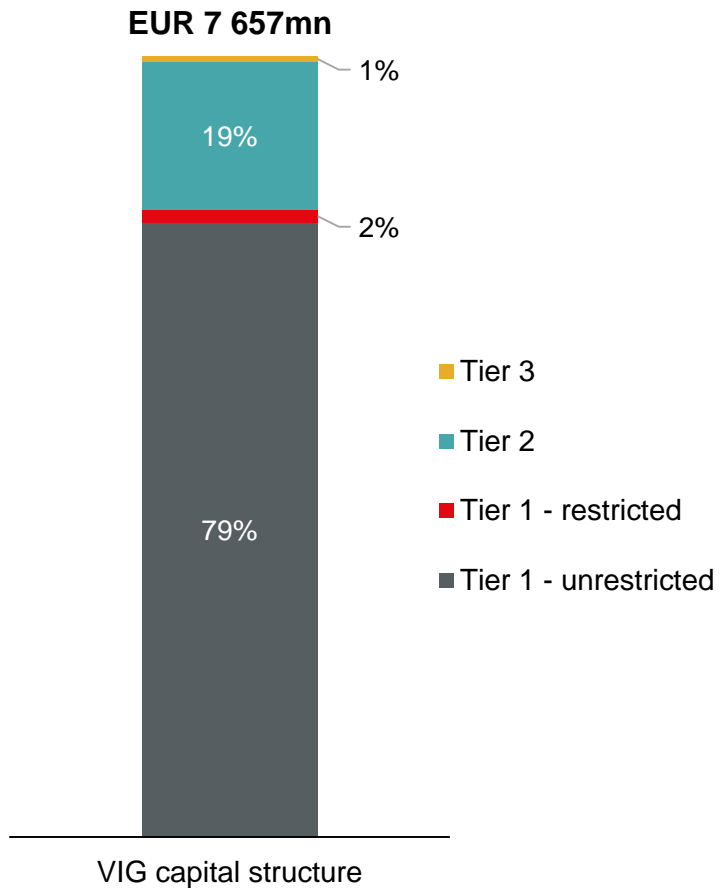
- Market risk
- Life underwriting risk
- Operational risk
- Non-life underwriting risk
- Health underwriting risk
- Counterparty default risk
- Capital requirement for residual undertakings
- Capital requirement for other financial sectors
- Capital requirement for non-controlled participations

Note: Risk allocation calculated with Euler method based on risks net after diversification

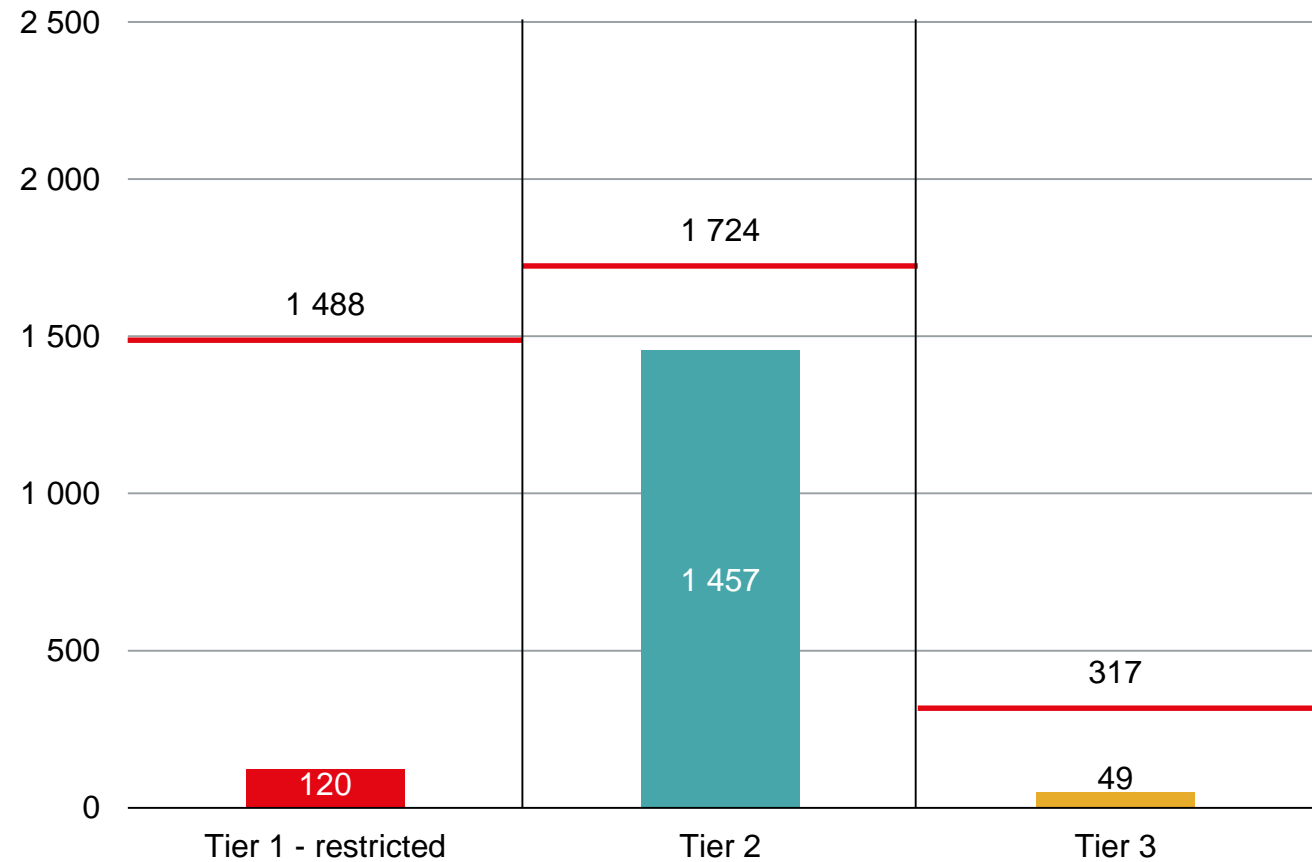


OWN FUNDS (I)

Composition of Own Funds as of 31.12.2019



in EUR million

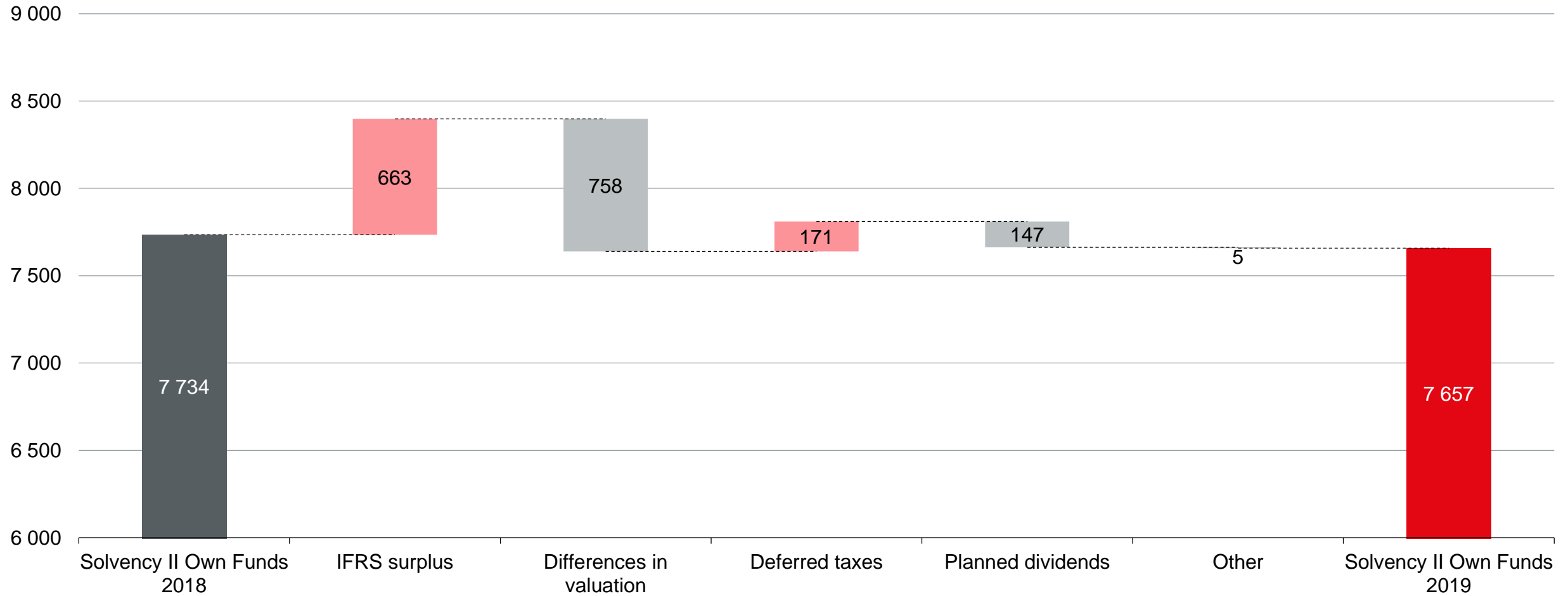




OWN FUNDS (II)

Own Funds 2018 compared to Own Funds 2019

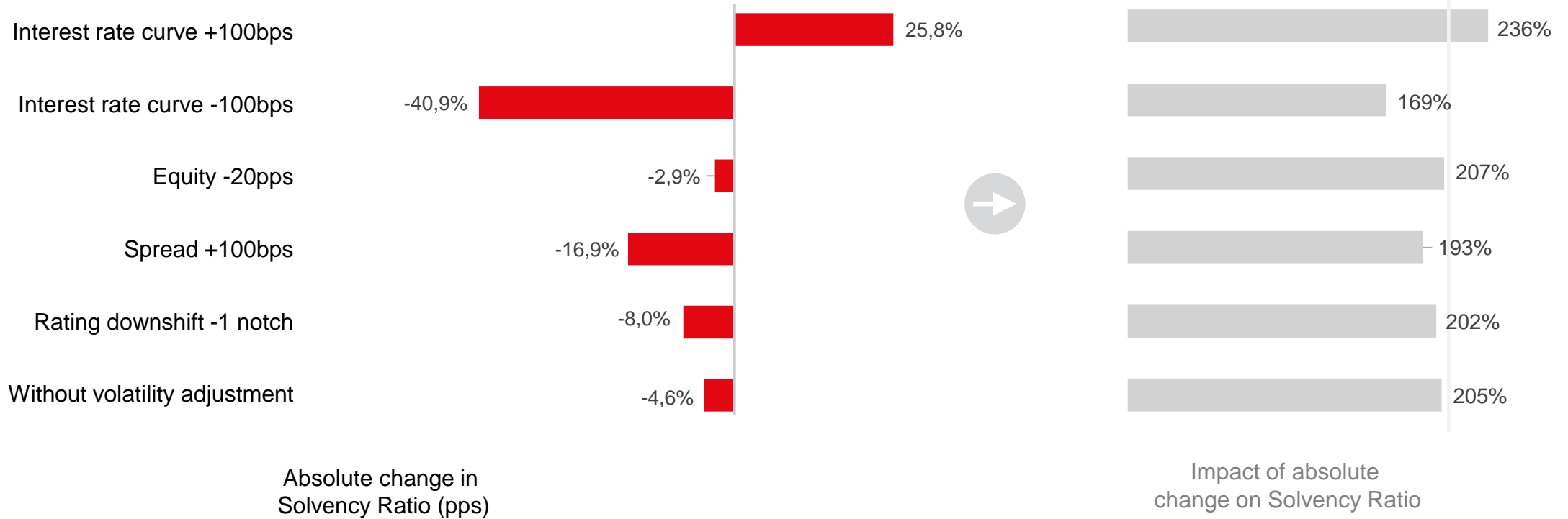
in EUR million





SENSITIVITY ANALYSIS

Market Sensitivities as of 31.12.2019



- Interest rate** 100 basis points shift of the liquid part of the risk free curve and convergence to UFR
- Standard equity** All equity positions except strategic participations (including equities in investment funds)
- Spreads** Increase of implied spreads of all corporate bonds (including corporate bonds in investment funds)
- Rating downshift** Application of downshift of 1 notch to all rated investments

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