

MORE **SO** **DA** **RI** **TY**

HIGH LIGHTS 2022

Growth

VIG completed its acquisition of the companies in Hungary and Türkiye that previously belonged to Aegon. As a result, in the Hungarian market it is now

Number 1.

For the closing of the acquisition of Aegon's remaining Eastern European business with companies in Poland and Romania only the approval from Romania is still required. VIG's strategic objective is to further expand its leading market position in the CEE region.

Health

Due to the

“VIG Bike” campaign

employees of VIG Holding can use a bicycle or e-bike at low cost. This promotes healthy, sustainable mobility.

See page 49

Office environment

VIG companies increased their efforts to use energy more efficiently during the reporting period. Several companies are also installing their own photovoltaic systems. Around

70,000 kWh

of clean electricity, for example, is generated by a photovoltaic system on the roof of the Linz location of Wiener Städtische and Donau Versicherung.

See page 66

Attractive employer

VIG places great importance on providing attractive working conditions for all its employees. In addition to numerous other awards, in 2022 it once again made it onto the list of

“Forbes World’s Best Employers”.

See page 48

Investment

VIG is increasing its investments in renewable energies and other green projects. At the end of 2022, it already held

EUR 829 million

in green bonds, that is, bonds used to fund environmentally friendly projects.

See page 26

Sustainable buildings

VIG also focuses on sustainability in its real estate investments. After energy-related optimisation, its building at Singerstraße 8 in the Vienna city centre, which was built in 1911, is now

the first historic building in Austria

to meet the strict climate protection requirements of the EU Taxonomy Regulation.

See page 27

Solidarity

Employees of the VIG companies in Poland, the Czech Republic and other countries began aid campaigns for their Ukrainian colleagues immediately after the outbreak of the war. VIG management established the

VIG Family Fund.

Due to the basic endowment and other contributions from companies and directly from employees, a total of around

EUR 7 million

is available to aid the families of the Ukrainian VIG companies during the medium and long-term reconstruction of the country.

See pages 56–57

Demographic change

Wiener Städtische is a partner company of

Alles Clara.

The app provides support for relatives providing nursing care and has been in pilot operation since autumn 2022.

See page 61

Customer orientation

Numerous awards confirm the high quality of the customer service provided by VIG companies. The Czech company Kooperativa, for example, was named

“Insurance Company of the Year”.

Information on the many other prizes is provided on page 39.



DIVERSITY CREATES ADDED VALUE

VIG's reports are colourful, because VIG is colourful. The rounded, coloured areas in the Group Annual Report and Sustainability Report stand for the markets where we operate. VIG relies on a decentralised structure, local entrepreneurship and extensive autonomy for the local insurance companies. Diversity is a core value of the Group – and is a key success factor, even in turbulent times.

Consolidated non-financial report

VIENNA INSURANCE GROUP AG
Wiener Versicherung Gruppe publishes this consolidated non-financial report (Sustainability Report) in addition to its Group Annual Report. The titles of the two reports are “More Growth” and “More Solidarity” this year. Together they express the holistic approach of the Group.

For VIG, economic success, social responsibility and environmental awareness belong together. This is because both a healthy environment and a functioning society are required for a future worth living. Because VIG thinks ahead, it is able to grow sustainably and meet the challenges of the future.

**“Only together
we can
be truly
successful.”**

Dear Ladies and Gentlemen,

We look back on another turbulent year with many challenges. The Russian war of aggression in Ukraine is particularly concerning. But we were also concerned, and continue to be concerned about inflation, the Covid-19 pandemic and increasing weather-related claims.

We made it through these challenging times well. We were helped by the solidarity in our Group and the fact that VIG looks and thinks ahead.

In the past seven years, the topic of sustainability has developed strongly in VIG under my leadership. Long-term thinking and a sense of community have always been part of the Group's DNA. But we explicitly addressed the issue and formulated strategic priorities for the first time in 2017. We have begun to create structures for the professional management of ESG topics, i.e. for the “Environment, Social and Governance” areas. Since 2021, we have officially committed to the principles of the Global Compact of the United Nations.

You are now holding the sixth Sustainability Report that documents our projects and successes in these areas. This provides a good foundation for future requirements, because the legal basis for sustainability reporting also continues to develop. The EU Corporate Sustainability Reporting Directive (CSRD) provides for significant changes starting in the reporting year 2024, including mandatory reporting standards.

As Chairwoman of the Managing Board, it is my responsibility to lay the foundation for a good future for VIG. The strategic focus on sustainability is an important part of this. Sustainability-related topics have been at the strategic group objective level since 2021. As part of the VIG 25 strategic programme, we are working together with

the CEOs of the Group companies and our experts on a new sustainability programme with objectives and concrete measures that we aim to finalise in 2023.

We also have many major successes to celebrate. The human resources managers at VIG Holding and the Group companies are pleased about the many awards received each year. They show that VIG is an excellent employer. We continue to reduce the carbon footprint of our offices and are starting to generate our own electricity with photovoltaic systems. When designing our products, we take new risks into account and help customers to better cope with the consequences of global warming. Last but not least, we live up to our role as an economically important investor and promote environmental and social projects with our investments.

Together, we are working to keep VIG's promise: Protecting what matters.



Elisabeth Stadler
Chairwoman of the Managing Board

#01

CORE BUSI NESS

22 For VIG, sustainable management means continuing to integrate social and environmental factors into the core business.

#02

CUS TOM ERS

36 VIG wants to be available to serve as broad a range of people as possible – with innovative products that provide social and environmental added value.

Sustainability Report 2022

- 3** Letter from the Chairwoman of the Managing Board
- 6** Company profile
- 8** Stakeholder and materiality analysis
- 10** Business strategy
- 12** VIG 25
- 14** Strategic priorities
- 18** Sustainable Development Goals (SDGs)
- 20** Interview with the Chairwoman of the Managing Board Elisabeth Stadler
- 68** Significant events after 31 December 2022
- 69** Information about this report
- 70** GRI content index
- 81** The 10 principles of the UN Global Compact
- 82** List of abbreviations
- 83** Declaration by the Managing Board
- 84** Review report
- 86** General information

#03

EMPLOYEES

44 VIG offers an attractive working environment that allows all employees to contribute their many talents and points of view.

#04

SOCIETY

56 VIG companies support selected projects and promote initiatives providing social and cultural added value.

#05

ENVIRONMENT

62 VIG can help its customers to better adapt to climate change.

The company names in this report have been shortened.
A list of abbreviations can be found on page 82.

THE INSURANCE GROUP AT A GLANCE

Together, the VIG companies form the **leading insurance group** in Central and Eastern Europe. VIG Holding is headquartered in Vienna and manages and supports over **50 insurance companies and pension funds**. The roots of the Group reach back to the year 1824.

The insurance companies are established in their respective regional markets and their roughly **29,000 employees provide** the best possible protection against the risks of day-to-day life for roughly **28 million customers**.

The VIG has been awarded an A+ rating with a stable outlook by the internationally recognised rating agency Standard & Poor's. VIG shares are listed on

the Vienna, Prague and Budapest Stock Exchanges.

Around 72% of the shares are held by Wiener Städtische Versicherungsverein, and the approximately 28% remaining are in free float. **Wiener Städtische Versicherungsverein** is a stable **principal shareholder** that focuses on the long term. It assists VIG companies with cultural and social matters and provides support for many projects in these areas.

Employees in 2022
(FTEs, annual average):
28,832

Total premium volume in 2022:
EUR 12.6 billion

Result before taxes in 2022:
EUR 562.4 million

Solvency ratio in 2022:
280%

THE VIG VALUE CHAIN

This simplified chart shows the inputs and internal processes that VIG companies use to create value and their products, namely insurance solutions. One of the simplifications is that reinsurance is not only purchased on the market, but also provided internally within the Group by VIG Re.

Private households
Suppliers of services
Suppliers of materials
Reinsurers
Capital providers

PROCUREMENT MARKETS

Product development

Underwriting

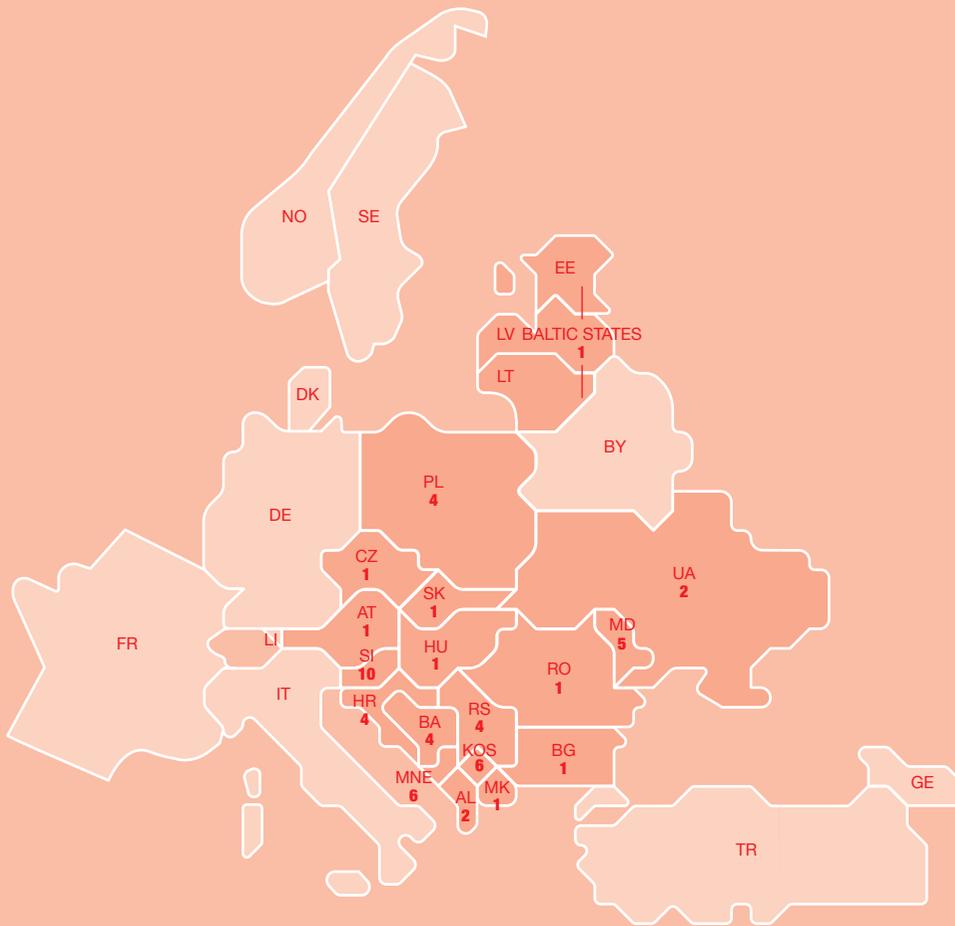
Risk bearing/
risk transformation

Asset management

Claims management

Corporate Governance, Strategy, Controlling, Human Resources, General Secretariat and Legal, Risk Management, Compliance, IT, Finance and Accounting, Business Organisation, etc.

Sources used: Dieter Farny, 2011, *Versicherungsbetriebslehre (Insurance Operations)*, Verlag Versicherungswirtschaft GmbH, Karlsruhe, p. 98 ff
Thomas Köhne, 2017, *Industrialisierung (in) der Versicherungsbranche (Industrialisation in the Insurance Industry)*, in: Wagner, F. (editor), *Gabler Versicherungslexikon (Gabler Insurance Encyclopaedia)*, Wiesbaden, p. 430 ff



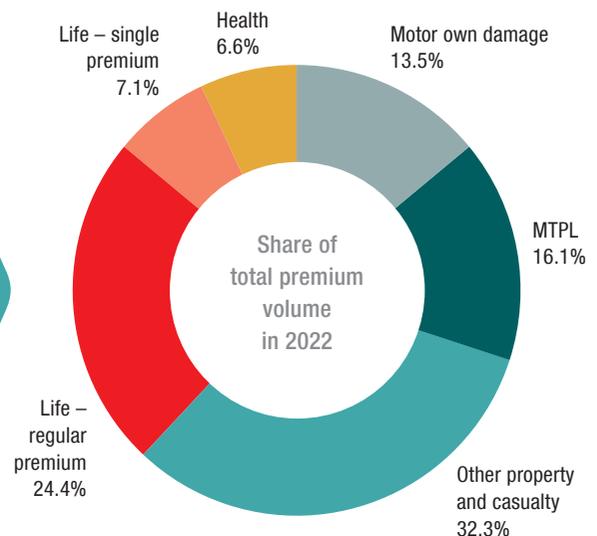
Market positions in the CEE region

Market rankings 1st to 3rd quarters of 2022;
Hungary 1st to 4th quarters of 2021 incl. Aegon

- **CEE:** Central and Eastern Europe, including Austria. The aim is to take advantage of the long-term growth opportunities offered by these 20 countries.
- **Special Markets according to the country portfolio:** Specific objectives will be pursued in each of these ten countries.

INSURANCE LINES OF BUSINESS

VIG serves private and corporate customers in its insurance business and also provides reinsurance. Its product range includes motor third party liability and motor own damage insurance, accident insurance and other property and casualty insurance (e.g. fire and natural hazards insurance, travel insurance). A large number of life and health insurance products are offered for individuals and groups. These include, for example, supplementary health insurance, nursing care insurance, endowment insurance, term life insurance and investment-oriented products. In accordance with VIG's strategic cornerstones, products are sold through a variety of distribution channels in all markets.



DIALOGUE WITH THE STAKEHOLDERS

In order to know what is important to them, VIG maintains an ongoing dialogue with its different stakeholder groups. We offer a wide range of communication channels for this purpose.

Customers

- contact by personal advisors, service offices or by video, telephone and email
- feedback via social media channels
- surveys
- (market) analyses

Employees

- (virtual) events
- VIG Group intranet
- regular, structured objective and development reviews
- surveys
- contact with students through cooperations with universities, etc.

Shareholders and investors

- continuous capital market information
- information exchange and communication via social media channels
- contacts in the Investor Relations team
- regular telephone conferences when publishing results
- annual general meeting
- participation in investor conferences

Society, media, NGOs, authorities

- press conferences and interviews
- personal contact via Communications & Marketing
- voluntary work
- regular dialogue with NGOs
- participation in initiatives, support for projects and realisation of the Company's own art and social projects
- dialogue with regulatory and political institutions

Distributors and business partners

- personal contact
- workshops and trainings
- newsletters
- distribution portals
- events

Professional public

- membership in insurance associations
- industry networking events
- participation in conferences

STAKEHOLDER ENGAGEMENT

We provide various stakeholder groups ways to contact us and raise their concerns. These are handled by the employees responsible depending on the topic. Stakeholder engagement in processes and decisions depends on the topic and stakeholder group concerned. VIG is a decentralised Group and the companies have a great deal of decision-making leeway to respond to local stakeholder interests.

What is material

VIG has defined nine key topics that form the basis for this Sustainability Report.

The materiality analysis shows which topics a company should prioritise and subsequently report on as part of the sustainability management. This creates an important basis for setting strategic priorities. VIG performed its first materiality analysis in 2016. It was completely updated in 2021. In the first step, 19 potentially material sustainability topics

Material topics	Report section	Pages
# Environmental and social investment criteria	#01 Core business	22–28
# Responsible corporate governance/compliance	#01 Core business	29–35
# Product innovation	#02 Customers	36–40
# Customer orientation	#02 Customers	36–41
# Comprehensibility of products	#02 Customers	37, 41
# Data protection and security	#02 Customers	42–43
# Learning and development	#03 Employees	44–47
# Demographic change	#04 Society	60–61
# Climate change	#05 Environment	62–64

were identified along the value chain. These were then assessed in three dimensions:

- An online survey of a wide range of stakeholder groups showed which topics are relevant from the participants' point of view.
- During a workshop, internal experts analysed, with outside assistance, the Group's social and environmental impacts (using the severity of the impact, the number of parties affected and the probability of occurrence) and identified the topic areas where the Group had a major impact.

- Internal experts assessed, with outside assistance, the potential financial impact of the individual topics on the Group.

The results of the analysis

Nine material topics were identified during the assessment described above. They are relevant to stakeholders, potentially have a major financial impact on the Group and/or the activities of the Group can actually make a difference. These nine topics form the basis for this Sustainability Report.

STRATEGIC PRINCIPLES

The VIG mission statement, strategic objectives and clear management principles determine the long-term course followed by the Group.

Mission statement

Our vision

We want to be the first choice for our customers. Our stakeholders see us as a stable and reliable partner. This enables us to consolidate our position as the leading insurance group in Central and Eastern Europe.

Our mission

We stand for stability and competence in the field of risk protection. We use our experience, know-how and diversity to move closer to our customers. We see it as our responsibility to protect the values that matter to our customers.

Our values

Diversity
Customer proximity
Responsibility

Our promise

We enable customers to live a safer and better life: Protecting what matters.



Strategic objectives

- ▶ Expanding the leading market position in the CEE region
- ▶ Creating sustainable value
- ▶ Integrating sustainability aspects into the core business

VIG formulated medium-term objectives based on this long-term strategic orientation. For example, the Group aims to be at least one of the top three insurance groups in each CEE market by 2025 (with the exception of Slovenia). It intends to increase premium volume by taking advantage of long-term opportunities in health insurance and future provisions in the CEE region, among other things. Creating sustainable value improves efficiency in the operating business, such as by making more targeted use of synergies between companies. The sustainability-related requirements are highly diverse, ranging from increased consideration of social and environmental factors in investments to a larger range of products offering sustainable added value.

Management principles

Local entrepreneurship

VIG's decentralised organisational structure gives local management and employees the flexibility needed in the business operations. In the end, they know best about the needs of the local population and the specifics of their markets. This allows products and sales to be adjusted optimally to local circumstances. VIG Holding is responsible for steering the Group.

Multi-brand policy

VIG relies on regionally established brands, as this allows it to address different target groups directly and personally with its over 50 insurance companies and pension funds in 30 markets. This also strengthens its regional identity and creates greater customer and employee loyalty to the company. In addition to the local brand names, "Vienna Insurance Group" conveys the internationality and strength of the Group.

Multi-channel distribution

In order to best satisfy the particular preferences of its customers for receiving advice, VIG uses its own employed sales force, brokers and agents, multi-level marketing, direct and digital sales. Bancassurance is also very important. The cooperation agreement with Erste Group, which is also firmly established in the CEE region, has existed since 2008.

Conservative investment and reinsurance policies

The consolidated VIG companies are responsible for EUR 34,399.3 million in investments (including cash and cash equivalents and excluding investments for unit-linked and index-linked life insurance). Security and sustainability are at the focus of the investment strategy, which is why investments are predominantly made in bonds. Diligence also guides the reinsurance policy. To obtain the optimal risk balance, risks are bundled at the Group level and partially placed on the international reinsurance market.

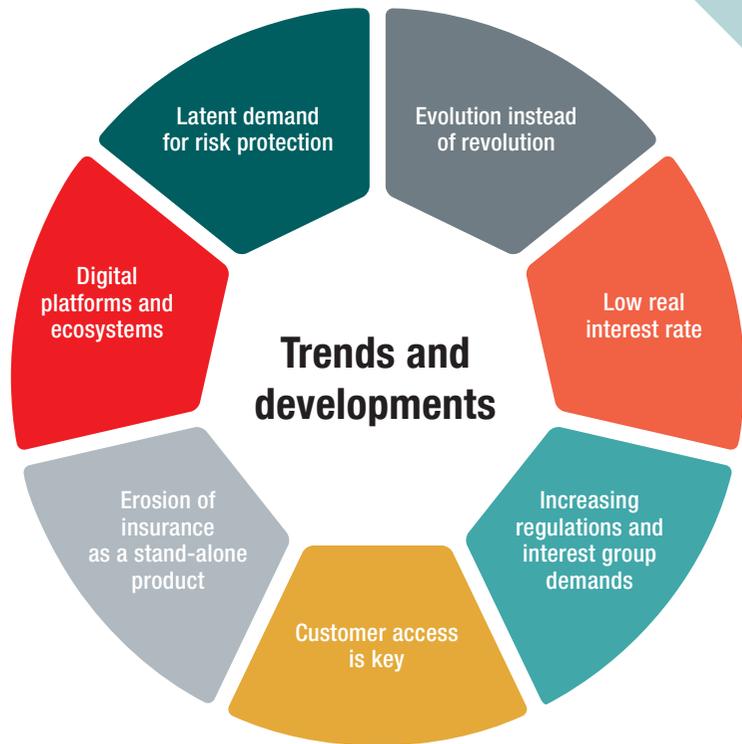


VIG 25 ▶

Strategic programme
until 2025

VIG **25** ▶

Strategic programme
until 2025



THE VIG 25 STRATEGIC PROGRAMME

The VIG 25 strategic programme sets down its goals for 2025. More efficiency, more customer proximity and more value added prepare the ground for more sustainable success.

The VIG 25 strategic programme was developed for the period from 2021 to 2025. Current trends and developments and their effects on the insurance industry have led to clear requirements for the Group: further strengthening sustainability as an integral part and foundation of the business model, promoting greater efficiency and productivity supported by digitalisation, developing new ways to approach and retain customers and promoting a general understanding of risk provisions. The business model is therefore being optimised, enhanced and expanded through targeted activities in three strategic focus areas. These will consolidate VIG's

sustainable success and help achieve its strategic objectives (see page 10). VIG launched a continuing programme during the reporting period to achieve the requirement of continuing to strengthen sustainability as an integral part of the business model. In collaboration with various

experts from VIG Holding and all Group company CEOs and in consideration of special local requirements, we are drawing up a Group-wide sustainability programme in conjunction with VIG 25 that sets out objectives and measures. We aim to finalise this Group-wide programme in 2023.



More information on the trends that were analysed as a basis for the VIG 25 strategic programme is available in the online version of the Group Annual Report at www.annual-report.vig/2022

Requirements

- ▶ **Further strengthening sustainability as an integral part and foundation of the business model**
- ▶ **Further increasing the efficiency and productivity of the operating business thereby continuing and intensifying the associated digital transformation**
- ▶ **Developing new ways to approach and retain customers in order to respond to changing consumer expectations and behaviours**
- ▶ **Promoting consumer understanding of the importance of risk provisions**

Strategic focus areas in three horizons

- ▶ **More efficiency**
Optimise the business model by increasing productivity and efficiency
 - Process simplification and automation
 - Exchange and implement best practice examples
 - Further optimise underwriting and pricing
- ▶ **More customer proximity**
Enhance the business model with new ways to approach customers and by enriching the product range with services that provide additional value for customers
 - Increase brand visibility and the attractiveness of products
 - Use of a hybrid distribution approach that combines personal and digital contact
- ▶ **More value added**
Expand the business model and value chain beyond the insurance business
 - Increased focus on asset management and the pension fund business
 - Establish ecosystems
 - Promote awareness of future provisions and risk protection



FIVE STRATEGIC PRIORITIES

The strategic priorities ensure the sustainable orientation of our business activities.

#01 CORE BUSINESS

Taking responsibility in the long term and thinking in generations are core aspects of insurance. VIG wants to be able to satisfy its commitments at all times. This requires long-term stability of the Group. The Group relies on forward-looking management and profitable growth in order to remain a reliable partner for its customers in the future. At the same time, an intact society and environment are also necessary for economic success. VIG therefore aims to combine economic, social and environmental factors, or, in other words, to integrate sustainability into its core business.

SUSTAINABILITY MANAGEMENT

VIG considers sustainability an important part of its strategic orientation. VIG Holding has an ESG team in the European Affairs and ESG department that reports directly to the Chairwoman of the Managing Board. The team coordinates sustainability agendas across the Group and coordinates the various topics with the management at VIG Holding and the sustainability officers in the VIG insurance companies. Information is regularly exchanged to increase the understanding of topics relevant to the environment, society and governance.

The priorities of the sustainability strategy for the core business include in particular forward-looking management that integrates social, environmental and governance-related factors into the business and risk strategies, as well as the investment process. This implies a recognition of human rights and strict compliance with all legal and regulatory requirements and self-imposed obligations, such as the Code of Business Ethics.



#02

CUSTOMERS

OUR AMBITION WITH RESPECT TO THE CORE BUSINESS:

- Management combines economic objectives with social and environmental factors.
- Asset Management includes environmental and social factors in the investment process.
- Compliance continuously improves the compliance management system.
- Risk Management continuously improves the risk management system.
- Sustainability officers increase the understanding of ESG topics.

VIG sees it as its very own task to provide comprehensive protection against a wide variety of risks for as many people as possible – to protect what matters to them. The long-term economic success of the Company depends on satisfied customers. Only if their expectations are fulfilled, they will continue to have confidence in VIG in the future. VIG wants to be available to serve a broad range of people. VIG already serves roughly 28 million customers in 30 countries. The Group relies on a decentralised management approach and local entrepreneurship to satisfy this large diversity of needs and expectations. This approach allows decisions to be made quickly and products and services to be modified for special local circumstances.

The customer priorities in the sustainability strategy include providing the best possible coverage for customers and handling claims promptly to ensure customer satisfaction. New customer needs will be satisfied using innovative and digital services and products that also offer social and environmental added value if possible. Ensuring customer data protection and overall information security are important elements.

OUR AMBITION WITH RESPECT TO CUSTOMERS:

- VIG insurance companies further develop innovative products and services.
- Local complaint managers continuously improve the complaint management.
- Data protection officers continuously improve the data protection management system.



#03

EMPLOYEES



Employee motivation and commitment are important for the long-term success of a company. VIG therefore aims to be an “employer of choice”. To achieve this, it is important to deal fairly and justly with all employees, enable employees to follow their ideal development paths, and provide a good life balance and options for health promotion. The Group also intentionally relies on employee diversity and feels that it both enriches the Group and is an important factor in its success. Different experiences, backgrounds, needs and expectations are not just permitted. They are valued and actively used. This increases creativity and innovation, as well as motivation and commitment.

The priorities in the area of employees include creating a working environment with leadership and well-grounded development opportunities that attracts the right employees and motivates and retains them.

OUR AMBITION WITH RESPECT TO EMPLOYEES:

- VIG positions itself as a locally attractive employer with an international background.
- Human Resources is responsible for increasing management and expert skills throughout the Group.
- Human Resources is also responsible for continuously improving diversity management.

#04

SOCIETY





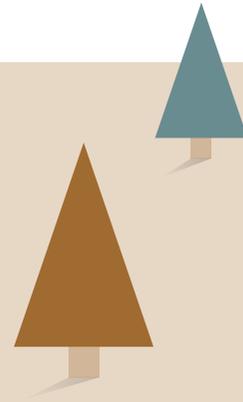
Companies can only achieve long-term success in an intact social environment. VIG is helping to achieve and maintain this requirement. Its activities as an insurance company help complex societies to function when confronted with a wide variety of different risks. The Group also takes responsibility for social issues and supports local communities especially in countries where VIG operates. It also adjusts its business model to social trends in order to remain successful for future generations. This requires monitoring of socio-economic trends.

The social priorities in the sustainability strategy include support for local communities and adjusting the business model for demographic change. The social orientation is also promoted with initiatives like the “Social Active Day”.

OUR AMBITION WITH RESPECT TO SOCIETY:

- The Sponsoring department of VIG Holding and the “Social Active Day” coordinators in the individual Group insurance companies steadily expand this Group-wide initiative.
- VIG is helping to eliminate the risk of gaps in future provisions for pensions, health care and nursing care.

#05 ENVIRONMENT



As an insurance company, VIG is greatly affected by the challenges of climate change. It is therefore steadily developing its expertise for natural disaster risks and promoting social awareness of increasing environmental risks. The Group is also working on reducing resource use and greenhouse gas emissions in its own business operations.



The environmental priorities in the sustainability strategy therefore include helping society adapt to the consequences of climate change and conserving resources in the Company's own operational business.

OUR AMBITION WITH RESPECT TO THE ENVIRONMENT:

- Continuously develop expertise in the area of natural disasters.
- Help society adapt to the consequences of climate change.
- Sustainability officers implement measures related to the office environment.

GLOBAL DEVELOPMENT GOALS

VIG has reported on its contribution to the United Nations Sustainable Development Goals since 2019.

The United Nations 2030 Agenda is an action plan for sustainable development worldwide. It defines 17 goals (Sustainable Development Goals, SDGs) and 169 targets based on the three dimensions of the environment, economy and society. The SDGs show that everyone can make a positive contribution and are aimed at both countries and companies. VIG has dealt with the SDGs since 2019 and has integrated them into its sustainability reporting since then. The chart shows the goals and targets to which the VIG can make the greatest contribution.



The 17 SDGs define global objectives to ensure sustainable development for the entire planet.

SDG



Goals

Targets

VIG's contribution

**SDG 3:
Good health and well-being**

Ensure healthy lives and promote well-being for all at all ages.

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

Future provision products, services, a variety of sports and mental health programmes for promoting health in the Company

More information is provided on pages 40, 49–51 and 60–61

**SDG 5:
Gender equality**

Achieve gender equality and empower all women and girls.

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

Diversity strategy that allows local modifications, measures to raise awareness of equal opportunity, inclusion and diversity

More information is provided on pages 52–54

**SDG 11:
Sustainable cities and communities**

Make cities and human settlements inclusive, safe, resilient and sustainable.

11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums.

11.3 By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

Investments in affordable, energy-efficient housing, partnership with Gropyus

More information is provided on page 28

**SDG 13:
Climate action**

Take urgent action to combat climate change and its impacts.

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Withdrawal from coal investments and underwriting, issue of a sustainability bond, increase in environmental investments, products and services for innovative sectors

More information is provided on pages 22–27, 36–38 and 62–65

“DIVERSITY AND SOLIDARITY GO HAND IN HAND”

Among other things, VIG supports important social and environmental concerns as an investor, according to Chairwoman of the Managing Board Elisabeth Stadler. For example, the Company provides capital for wind farms, climate-friendly affordable housing projects and green mobility.

Why do you use the motto “Solidarity” for the current sustainability report?

ELISABETH STADLER: Anyone talking about 2022 also has to talk about the Russian war of aggression in Ukraine. VIG is represented by three companies in the country. From the very first day of the war, solidarity with our colleagues and their families was extremely important for us. It is very painful to think that people within our Group are exposed to the dangers of war and have to fear for life and limb. Employees in the neighbouring countries began support measures immediately. But the employees in many other companies in the VIG family also became very involved and are still involved in helping (*more information on the aid measures is provided starting on page 56, note*). This reflects an incredible amount of personal commitment and idealism. VIG established the VIG Family Fund to provide support for the employees concerned and their families during the medium and long-term reconstruction of Ukraine. I would like to

express my great respect and gratitude to all the helpers for their commitment.

Did this commitment surprise you?

STADLER: Absolutely not. After all, the spirit of community has always been part of VIG, right back to the origins of the Group in the 19th century. Solidarity goes hand in hand with our fundamental value of diversity and is reflected in many projects. Such as the Social Active Day. Thousands of employees in all of our companies devote one working day per year for a socially valuable cause. Many also do voluntary work during their free time. VIG supports a number of initiatives for peaceful coexistence and mutual understanding (*more information on these initiatives is provided starting on page 58, note*).

A key part of the implementation of VIG 25, VIG’s strategic programme, involves strengthening sustainability as an element of the business model.

How was that shown in 2022?

STADLER: We began working with the

CEOs of all VIG companies to develop a Group-wide sustainability programme with objectives and measures for the coming years. We aim to finalise it in 2023. In the meantime, based on the existing strategic sustainability priorities, we have once again been moving forward with many projects in the areas of core business, customers, employees, society and the environment. One highlight of many is that our investments in green bonds increased to EUR 829 million in 2022 from EUR 436 million in the previous year.

What made you include sustainability as a strategic objective for VIG?

STADLER: Strategic considerations can currently only be made meaningful if sustainability is taken into account. Regardless of whether you pursue these objectives out of conviction, due to regulatory requirements or demands by stakeholders. Investors and customers are increasingly paying attention to companies’ sustainability performance. Sustainability reporting



“Strategic considerations can currently only be made meaningful if sustainability is taken into account.”

Elisabeth Stadler, Chairwoman of the Managing Board of VIG Holding

will become much more extensive starting in reporting year 2024. VIG is working hard to prepare for the new legal framework. The EU Corporate Sustainability Reporting Directive (CSRD) provides, among other things, for mandatory reporting standards to create more transparency.

Are insurance companies especially affected by the issue of sustainability?

STADLER: Yes, for two reasons. First, we are already seeing the consequences of global warming, namely increased losses due to adverse weather events and natural disasters. For us, this also means an obligation to make our risk expertise available to society. We help the society adapt to the consequences of climate change by offering insurance protection and creating incentives for customers to better prepare for the consequences.

Second, insurance companies are among the most important investors in an economy, as we manage large amounts of capital on behalf of our customers. We support social and green causes by, for example, investing in solar farms, environmentally sustainable and affordable housing projects and green mobility.

How do you ensure that VIG is economically sustainable?

STADLER: The VIG 25 strategic programme aims to increase efficiency, customer proximity and value added. Our strategic objective is to further expand our leading market position in the CEE region. The successful acquisition of the Aegon companies in Hungary and Türkiye was an important milestone in 2022. We are now also number one in the Hungarian market and well positioned for the future.

#01

CORE BUSINESS

Environmental and social investment criteria

Responsible corporate governance/compliance

Partnerships

Environmental and social investment criteria

Key figures create transparency

VIG key figures specified in the EU Taxonomy Regulation for investments provide information on the proportion of environmentally sustainable activities.

The EU Taxonomy Regulation is a classification system that specifies criteria for determining whether an economic activity qualifies as environmentally sustainable. The criteria are related to the following six EU environmental objectives:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

Starting in financial year 2021, large capital market-oriented companies with more than 500 employees must provide information on the share of their turnover, capital

expenditures and operating expenditures associated with sustainable activities (in the sense of the taxonomy). This new transparency is intended to make it easier for financial market participants to invest the capital in environmentally sustainable sectors of the economy. Future entry into force of the CSRD is aimed at tightening the criteria, thereby requiring considerably more companies to provide sustainability reporting. Due to the reporting at the Group level, separate reporting by VIG's fully consolidated subsidiaries is not necessary.

Special key figures were defined for insurance companies. This industry has a special responsibility, in part because it manages large amounts of capital, namely >

Material topic:**#Environmental and social investment criteria****Why the topic is important**

Insurance companies are important providers of capital for national economies. VIG's investment decisions could have indirect social and environmental effects. In addition to the effects on its own portfolio, a change in investment behaviour, such as the withdrawal from coal, also has effects on the companies in which it invests. The loss of investors could make certain lines of business economically unattractive or no longer funded.

Opportunities

Sustainable investment sets an example for a sustainable economy and can contribute to the improvement of the environment and society. In addition to the expected increases in value due, for example, to the development of new technologies, if sustainability or ESG factors are taken into account in addition to the traditional key figures, then risk management can also be expected to improve.

Risks

Negative indirect effects on the environment and society, losses in the value of non-sustainable investments, e.g. due to changes in the legal

framework, compliance risks due to an exceptional pace of regulatory change

Due diligence processes and measures

Application of the exclusion criteria as part of the general investment strategy is checked once a month during the standard limit checks. Regular discussions also take place with the local employees responsible for investments to examine various aspects of the portfolio.

Guiding principles/guidelines

Climate change strategy (www.vig.com/climate-change-strategy), asset management guideline

Responsibility

The Group companies are responsible for the operational implementation of asset management. VIG Holding manages all of the Group's investments by reaching an agreement with the Group companies on a strategic asset allocation and limits for the individual components of their portfolios.

Goals

- No new direct investments in coal
- Existing direct investments in coal will be reduced by significantly

more than one half by the end of 2025 and completely eliminated from the portfolio by the end of 2035 at the latest*

- Implementation of an investment strategy aimed at increasing the share of environmentally friendly investments
- No direct investments in companies involved in the production or trade of banned weapons

Successes

- Continuous increase of investments in green bonds
- Full investment of the net proceeds from the sustainability bond within one year after its issue date

* Based on the investment portfolio in March 2019



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the premiums paid by its customers. The new key figures for the insurance industry concern the share of “green” assets and non-life insurance premiums. A simplified presentation still applies to reporting years 2021 and 2022. The current key figures for VIG relating to premium volume are on page 65. The way these key figures are determined for investments is described below.

The Taxonomy Regulation differentiates between taxonomy-eligible and taxonomy-aligned economic activities. Taxonomy-eligible economic activities are described in the technical screening criteria and are in principle suitable for making a positive contribution to one of the six environmental objectives. If the economic activity also meets the specified technical screening criteria and minimum safeguards, i.e. the suitability is actually realised, the economic activity is considered taxonomy-aligned. Financial companies do not have to disclose information on taxonomy-alignment until the financial year 2023, so we are currently focusing, in accordance

with Article 8 of the Taxonomy Regulation, on determining the taxonomy-eligibility of our economic activities and the taxonomy-eligible economic activities that are funded by investments. To this end, key figures relating to the proportion of taxonomy-eligible assets are presented below.

Mandatory reporting

For VIG’s assets, the Taxonomy Regulation requires that exposures entered into during investment activities have to be analysed and disclosed with respect to their taxonomy-eligibility and, in the future, taxonomy-alignment.

As part of this process, we calculate a number of key figures that provide information on VIG’s exposures with respect to taxonomy-eligible and non-taxonomy-eligible economic activities and economic activities that cannot be taxonomy-eligible. These key figures are to be provided as a percentage relative to total assets. We define total assets as the total assets shown in the balance sheet without deducting exposures to governments, central

EUR 34.4 billion

VIG manages EUR 34,399.3 million in investments (incl. cash and cash equivalents and excl. investments for unit-linked and index-linked life insurance). The Group makes it an absolute priority to invest the premium payments in a way that ensures it can fully meet its obligations to customers at any time. It therefore focuses on security for investments, with a preference for good credit ratings and, as a result, stable returns. At the same time, however, VIG also takes responsibility for the social and environmental effects of its investments.

banks and supranational issuers. The key figures are based on IFRS book values as of 31 December 2022.

Only assets that represent investments in economic activities are included in the taxonomy key figures. These investments essentially consist of all direct and indirect investments, including investments in undertakings for collective investment, participations, loans, mortgages, real estate, tangible assets and, if applicable, intangible assets.

If information is directly available for determining the taxonomy-eligibility of an exposure, it is reported under the required taxonomy key figures. For investments in companies, data from an external data provider was used to determine taxonomy-eligibility. The exposures to taxonomy-eligible and non-taxonomy-eligible economic activities were presented in two ways, i.e. weighted using the sales KPI and using the CapEx KPI of the investee company. Real estate holdings and other direct investments in non-financial assets were recognised using a separate measurement method to determine taxonomy-eligibility.

Exposures to governments, central banks and supranational issuers are not included in the taxonomy-eligible economic activities. It is our understanding that this only applies to central governments, not to federal states, regions, municipalities, cities or communities.

Derivative financial instruments are also not included when assessing taxonomy-eligibility. Exposures to companies that are not required to publish non-financial information under Art. 19a or Art. 29a of

Directive 2013/34/EU are also not included in the taxonomy key figures. These companies were identified using data from an external data provider.

As a precaution, non-consolidated funds for which no fund content data is available are included under the exposures to companies that are not required to report non-financial information. The following table presents the key investment figures in accordance with the Taxonomy Regulation:

Key figures in accordance with Article 8 of the Taxonomy Regulation

	EUR millions	%
Turnover		
Exposures to taxonomy-eligible economic activities	4,826.1	9.8
Exposures to non-taxonomy-eligible economic activities	2,802.9	5.7
CapEx		
Exposures to taxonomy-eligible economic activities	5,133.8	10.4
Exposures to non-taxonomy-eligible economic activities	2,495.2	5.1
Exposures to governments, central banks and supranational issuers	10,529.2	21.4
Derivative financial instruments	26.0	0.1
Exposures to companies that are not required to publish non-financial information under Art. 19a or Art. 29a of Directive 2013/34/EU	18,609.7	37.8
Total assets	49,274.0	100

Additional information

As part of the VIG 25 strategic programme, which is described in more detail on pages 12 and 13, the management has stated that even more attention will be given to sustainability as an integral component of the business model. This will apply, among other things, to the investment and customer areas (including product design).

Half a billion for green and social projects

VIG is using the proceeds from its sustainability bond to support large projects in areas such as green buildings, renewable energies and environmentally friendly transport.

In March 2021, VIG became the first insurance company in Europe to issue a benchmark sustainability bond. Just one year after it was issued, the entire EUR 500 million in proceeds had been invested in sustainable projects. Around 80% went to green projects and 20% to social projects:

- The largest share, EUR 215.7 million, or 43% of the total volume, was invested in green, i.e. environmentally sustainable, office and residential buildings.
- EUR 94.1 million was used to finance renewable energy generation. Projects, such as an offshore wind park in Germany and two solar plants in Spain, are aimed at reducing greenhouse gas emissions and becoming independent of fossil energy sources.
- EUR 92 million was invested in five Austrian affordable housing projects providing a total of 959 units.

- EUR 88.6 million went to environmentally friendly transport, in particular to a high-speed rail project in France and two metro projects in Spain.
- EUR 10.1 million was used to improve access to basic services, such as education and health. For example, a school was expanded and investments were made in health research in Austria.

Review of objectives

Around 50 investors from twelve European countries subscribed to the bond that was placed in March 2021. More than three quarters have an explicit focus on sustainability in their portfolios. A sustainability bond framework ensures that the capital is used for green and social assets. The ESG rating agency Sustainalytics reviewed the framework and the allocation and impact report.



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Part of the bond proceeds were invested in environmentally friendly transport, such as railway infrastructure.

More and more green bonds

In addition to the half a billion invested in green and social projects in accordance with the sustainability bond framework, VIG also invests in green bonds (bonds used to finance environmentally friendly projects).

2018

EUR 70 million

2019

EUR 154 million

2020

EUR 238 million

2021

EUR 436 million

2022

EUR 829 million



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After optimisation, the building at Singerstraße 8 in Vienna meets the climate protection requirements of the EU Taxonomy Regulation.

VIG received ÖGNI Gold certification for sustainable buildings in use for the renovation of its building on the Rathausplatz in Vienna.

#Environmental and social investment criteria

Historical buildings become green

VIG renovated a building in the Vienna city centre that is more than a century old, thereby demonstrating that historical properties can also contribute to achieving the EU’s climate goals.

According to the EU Commission, buildings are responsible for around a third of the greenhouse gas emissions in the EU. Promoting thermal renovations and the use of renewable energies in buildings is therefore important for achieving an environmental transformation of the economy. VIG shows this is also possible for historical buildings. The building at Singerstraße 8 in Vienna’s first district was built in 1911. VIG carried out the building improvements and energy optimisation with the project partners ATP sustain and PwC. In autumn 2022, the Austrian Sustainable Building Council (ÖGNI) confirmed that the building now meets the climate protection requirements of the EU Taxonomy Regulation and therefore qualifies as a “sustainable” investment property. It is the first historical building in Austria to meet the EU’s strict sustainability standards and is therefore a trailblazing pilot project.

VIG is taking many other measures to make its real estate portfolio more environmentally sustainable. One example is a building on the Rathausplatz in Vienna that was built as early as 1880 and today houses, among others, authorities of the City of Vienna. The arcade building was fully renovated and connected to the district heating system in two years. A photovoltaic system was installed on the roof with the approval of the tenants and was one of the first systems to go into operation as part of Vienna’s solar power initiative. In 2022, VIG received ÖGNI Gold certification for sustainable buildings in use for the renovation, which was carried out together with the City of Vienna.



INVESTMENT EXCLUSION CRITERIA

VIG’s investment strategy specifies that no capital may be invested in certain areas. This applies, for example, to companies that produce or trade in banned weapons. That includes biological and chemical weapons, cluster munitions, including ground-launch and air-drop systems, anti-personnel mines, nuclear weapons and depleted uranium munitions. In addition, VIG’s climate change strategy (www.vig.com/climate-change-strategy) requires complete elimination of investments in the coal sector. (See pages 63–64 for the climate change strategy requirements for the area of underwriting.) No new direct investments are being made in companies that meet the following criteria:

- more than 30% of revenues from thermal coal extraction and/or
- annual production of more than 20 million tonnes of thermal coal and/or
- more than 30% of total energy production from thermal coal and/or
- more than 10 gigawatt hours of energy generated annually from thermal coal

Existing investments in companies in the coal sector will be reduced by significantly more than one half by the end of 2025 (compared to March 2019) and completely eliminated from the portfolio by the end of 2035 at the latest. These investments serve to fulfil the commitments made under insurance policies and can therefore only be eliminated from the portfolio before maturity in individual cases.

Environmental and social investment criteria

Climate-friendly, affordable and urban

Wiener Städtische is building thousands of units of climate-friendly affordable housing in Austria.



Wiener Städtische is one of the largest real estate investors in Austria. Its portfolio of around EUR 1.9 billion is sustainability-oriented. A key criterion used when acquiring properties is whether they are climate-friendly. Creating affordable housing is also one of Wiener Städtische's objectives. The company provides thousands of affordable housing units under indefinite term rental agreements. Wiener Städtische is currently building around 1,850 rental apartments on a usable floor space of roughly 141,000 m² in the North Railway district (Nordbahnviertel) of Vienna – half of which is in the affordable segment with rent caps. In cooperation with Sozialbau AG and Erste Gemeinnützige Wohnungsgesellschaft (EGW), one third of the units will also be subsidised under the Vienna Housing Subsidy and Renovation Act (Wohnbauförderungs- und Wohnhaus-sanierungsgesetz).

Snow White: social and environmental

Wiener Städtische is building 14 residential buildings in the North Railway district (Nordbahnviertel). "It is especially difficult for young families to find affordable housing in the middle of the city today", said Managing Board member Christine Dornaus. "We also think that sustainable, climate-neutral energy solutions are highly important." Among other things, Wiener Städtische is using district heating and cooling as well as rooftop photovoltaic systems in the North Railway district. The energy-saving building components provide cosy warmth in the winter and pleasant

indoor cooling in summer. Green roofs create a favourable microclimate, among other things. The tallest building that Wiener Städtische is building in the new district of the city is close to 100 metres high and has been given the name "Snow White". It will provide almost 300 units and 32 lofts on 29 floors. The building also meets the requirements of the EU Taxonomy Regulation and will receive "klimaaktiv" Gold certification.



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SUSTAINABLE HOUSING FOR ALL

VIG plans to work even more closely with the real estate technology company Gropyus, including an expansion plan to Central and Eastern Europe.

The Viennese proptech real estate technology company now has 300 employees to pursue its vision of "sustainable housing for all". This will be achieved with digitalisation along the entire value chain and the use of renewable raw materials. Buildings constructed by Gropyus qualify as "green" under the EU taxonomy for sustainable economic activities. The first one was completed in Germany in 2022 and will be energy positive. That means it will generate more energy than it consumes over its 50-year lifespan, using photovoltaic panels in its facade, for example. Gropyus is also involved with the non-profit organisation OneUkraine with the aim of building affordable housing in the war-devastated country.

Around 300 affordable housing units are being built in "Snow White" (picture above). Wiener Städtische Managing Board Member Christine Dornaus (picture below, centre) celebrates the start of construction in September 2022 with District Head Alexander Nikolai and Deputy Mayor Kathrin Gaál.



Material topic:

Responsible corporate governance/compliance

Why the topic is important

Compliance with all statutory and regulatory requirements and voluntary obligations (e.g. Code of Business Ethics) is an important part of responsible corporate governance. Insurance companies are now subject to an abundance of requirements. An efficient and effective compliance management system aimed at ensuring compliance with all these requirements is therefore a key element of functional corporate governance.

Opportunities

Promotion of a culture of integrity, increased employee motivation by providing clear requirements

Risks

Penalties and other financial losses (e.g. claims for damages, regulatory measures, exclusion from public tenders, legal and advisory expenses) and reputational damage

Due diligence processes and measures

Compliance organisation (see page 30) and reporting of breaches (see pages 30–31)

Guiding principles/guidelines

Code of Business Ethics, compliance management system policy, guideline for compliance management implementation, guideline on the prevention of money laundering and terrorist financing and other specialised policies and guidelines

Responsibility

Like the Group itself, the compliance organisation also has a decentralised structure. Compliance officers who are locally responsible for developing and implementing the compliance management system have been appointed in all (re)insurance companies. These compliance officers are assisted, managed, supported and monitored by the Compliance department of VIG Holding.

Goals

- Continuous expansion of the compliance management system
- Raising awareness of compliance-related issues among employees
- Avoiding penalties and other financial losses

Successes

- Regular, close contact with the Group companies
- Exchange of best practice examples between Group companies
- Inclusion of non-insurance Group companies in the Group-wide compliance management system



In compliance with all the rules

VIG expanded the compliance management system, with a focus on prevention and monitoring.

VIG has to comply with extensive statutory and regulatory requirements, as well as obligations that it has voluntarily assumed. All these rules have to be observed by around 29,000 employees in all the Group companies, and the compliance organisation ensures that this actually takes place. This is done in two ways, by creating rules itself, raising awareness and monitoring compliance with the rules, and by promoting a culture of integrity.

Compliance organisation

Like the Group itself, the compliance organisation also has a decentralised structure. It is represented by the Group Compliance Committee, which consists of the compliance officers of the Group companies and the head of the Compliance department. A policy approved by the Managing Board and a guideline specify Group-wide roles, responsibilities and minimum standards. These documents must also be implemented accordingly at the local level. The compliance officers report directly to and are responsible only to the local managing boards. They are responsible for monitoring the legal situation and recommending necessary measures, identifying and assessing compliance risks, taking measures to prevent breaches of the rules, advising employees, monitoring existing processes and handling compliance incidents. The Compliance department assists, manages, supports and monitors the local compliance officers in the performance of these duties.

Reporting breaches

People inside and outside the Company can report compliance breaches to the compliance officers, at both the individual Group company and Group levels. Precisely defined reporting requirements govern the reporting from the Group companies to the

Compliance department. All reports, including anonymous reports, are examined carefully and as long as required to finally clarify the issue. The inquiries and special audits for this purpose are generally performed by the local internal audit department and – in particularly delicate and sensitive cases – by the Group Internal Audit department on behalf of the VIG Managing Board. The compliance officers can also perform routine risk-based checks of the appropriateness of the measures taken. The results are reported directly to the managing board of the local company, and in particularly serious cases also to the Compliance department. No cases of corruption were reported during the reporting period. In addition, no contracts with business partners or employees had to be terminated or not renewed due to confirmed breaches of corruption regulations.

Group-wide exchange of information

To achieve Group-wide coordination and continuously improve the compliance management system, the Compliance department holds an annual meeting with the local compliance officers. The topics of the meeting are determined based on the legal environment and compliance risk situation and are used for both informational and training purposes as well as the exchange of experience and good practices. The meeting was held in hybrid format during the reporting period. Around 70 people took part. The topics discussed included aspects of the Group-wide compliance organisation, legal developments at the EU level (in particular concerning sustainable finance), results of the compliance risk analysis, dealing with international sanctions and the IFRS 17 accounting standard. Panel discussions



also took place on the sanction compliance framework and whistleblowing, among other things.

Developments during the reporting period

The Group-wide compliance management system was further expanded in 2022, with a focus on monitoring the legal environment and changes.

Increased contact with Group companies:

The resource build-up in 2019 and 2020 and the subsequent establishment of country and functional responsibilities in the Compliance department significantly strengthened the cooperation with the local compliance officers. More extensive and frequent contact between the Compliance department and local compliance officers allowed the control and monitoring of Group companies to be increased, support to be tailored to local organisational and legal circumstances and quality to be improved at all levels of the compliance organisation. On-site visits were once again carried out in selected Group companies for the first time since the beginning of the COVID-19 pandemic. Special attention was paid to the companies that became part of the Group during the year. In addition, virtual contact with all Group companies was maintained at a constant level. Periodic and ad hoc reporting to the Compliance department remained unchanged.

Inclusion of non-insurance Group companies in the Group-wide compliance management system:

The integration of non-insurance Group companies was pursued further in 2022. The local compliance officers were trained and assisted in analysing the risk exposure of the subsidiaries and defining the degree of inclusion in the local compliance management system.

After completion of the risk analysis, the relevant companies were integrated into the corresponding local compliance management systems.

Newsletters: The Compliance department performs regular, standardised legal monitoring with the support of the European Affairs and ESG, and General Secretariat and Legal departments. The information was used to prepare newsletters for the Group companies and VIG Holding during the reporting period. As in previous years, the “EU Lex & Compliance Newsletter” was sent to Group companies quarterly and the “VIG Lex & Compliance Newsletter” was published monthly. These newsletters provide an overview of relevant changes in the legal and regulatory environment and relevant case law, along with recommendations on how to address these changes. Information on new and revised governance documents was also provided monthly. In addition, many specialised newsletters were published, especially on the topic of international sanctions (sanction alerts).

Compliance risk analysis: During the compliance risk analysis, all the compliance risks in the business processes of Group companies are identified and assessed, existing controls are described and their effectiveness evaluated. All compliance risks are assigned to eleven sub-categories (including, for example, financial crime or competition law). Each company reports the results of its local analysis to the Compliance department, which then prepares an overall analysis for VIG and informs the Managing Board of VIG Holding of the results. The compliance risk analysis once again resulted in an overall medium level of compliance risk for both VIG and

VIG Holding in 2022 (on a scale of low/medium/high/very high).

Training: VIG Holding maintained an extensive training programme during the reporting period. In addition to general compliance training, specialised training on, for example, international sanctions and capital market law, was also provided. 196 employees received training in 2022. The established compliance e-learning programme includes the following modules: data protection, information security, code of conduct, anti-corruption and money laundering prevention. Since the e-learning programme was completed by all existing employees in 2021, the programme was mandatory for all new employees in 2022.

Due diligence measures: The screening of customers, business partners, job applicants and board members for international sanctions, politically exposed persons, negative media reports and criminal prosecution was continued during the reporting period. The natural persons and legal entities involved in potential transactions such as investments and acquisitions were subject to particularly detailed due diligence. A sanctions screening tool that was rolled out throughout the Group in 2019 was used. A Group-wide project is currently working on automating the screening process.

International sanctions: The dynamics, complexity and scope of international sanctions increased significantly during the reporting period. This was due in particular to the many new sanctions imposed in connection with the Russian war of aggression in Ukraine. The Group companies have been informed promptly and in detail about the main restrictions

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multiple times since the first sanctions were imposed in February 2022 and clear guidelines were issued regarding the actions to be taken. VIG's sanctions exposure was continuously monitored and assessed.

Whistleblower system: The requirements of the EU Whistleblower Directive were to be transposed into national law by 17 December 2021. Many countries are still delaying transposition. As a result of the requirements in the directive and the national (draft) laws based on it, work began on evaluating existing Company-wide processes for needed changes. This concerns, in particular, the detailed definition of roles and responsibilities, publication of information and implementing awareness-raising measures to ensure timely implementation. The Compliance department also monitors and supports the Group companies with the implementation of the requirements.

Monitoring activities: As part of its monitoring activities, the Compliance department regularly queries the Group companies about the implementation of legal and internal requirements. Queries concerning outsourcing, the Foreign Account Tax Compliance Act (FATCA), implementation of Group-wide governance documents, implementation of sustainability-related changes in the Solvency II and IDD frameworks and penalties imposed by the authorities were performed during the reporting period.

Tasks and challenges for 2023

Changes in the legal environment, many related to the EU Sustainable Finance Action Plan, are also the main challenges expected in 2023. In particular, the Group companies and VIG Holding will have to modify their business processes due to the following legislation:

- EU Taxonomy Regulation (Phase 2 starting 01.01.2023, technical screening criteria for environmental objectives 3–6 have not been specified yet)
- Regulatory technical standards for the EU Disclosure Regulation and Taxonomy Regulation, including templates for pre-contractual and regular disclosures and principal adverse impacts (starting 01.01.2023)
- Changes in the taxonomy regime and templates due to special provisions for natural gas and nuclear (20.02.2022)
- Corporate Sustainability Reporting Directive (and EU sustainability reporting standards) (starting 01.01.2024)
- EU Whistleblower Directive (according to the respective transposition into national law)
- Changes due to the amendment of the Motor Insurance Directive (starting 23.12.2023)
- Amendment of the delegated regulation on key information documents for packaged retail and insurance-based investment products (PRIIPs) (starting 01.01.2023)
- IFRS 17 and IFRS 9 accounting standards (starting 01.01.2023)
- EU Directive on ensuring a global minimum level of taxation for multinational groups (starting 01.01.2024)

Further developments in the area of international sanctions also remain uncertain.





Prevention of money laundering and terrorist financing

VIG supports international efforts to prevent misuse of the financial system for money laundering and terrorist financing. The VIG guideline on the prevention of money laundering and terrorist financing is aimed at all VIG companies that operate a direct life insurance business. The guideline includes, for example, provisions on the responsibilities of the anti-money laundering officers, due diligence requirements and processes for implementing the guideline, performing a risk analysis and mandatory training for employees. The Group companies concerned have anti-money laundering officers who report to the local managing board at least once a year and every six months to the Group Anti-Money Laundering Officer of VIG Holding, who in turn submits a report to the VIG Holding Managing Board at least once a year.



Outsourcing

Group companies can outsource functions and business activities in, for example, the IT and claims handling areas, to external service providers in order to handle tasks better and more efficiently. Outsourcing involves risks, however, such as possible dependency on the service providers used, or potentially more extensive quality

control. The Group is therefore very careful when choosing service providers and naturally observes all statutory and regulatory requirements. An outsourcing policy establishes Group-wide minimum standards for outsourcing within and outside the Group. It defines processes for monitoring and quality control that are aimed at ensuring that the contracted services are actually provided. Outsourcing of critical or important functions or business activities is governed by even stricter rules. Such cases must, for example, satisfy stricter selection criteria and be assigned a person responsible for the outsourcing.



Code of Business Ethics

The Code of Business Ethics is based on the VIG mission statement and values: diversity, customer proximity and responsibility. It was approved by the Managing Board of VIG Holding and serves as a uniform code of conduct in the Group by setting binding minimum standards. It is a general guideline for day-to-day business and for relationships with customers, business partners, shareholders and the general public. Additional supplementary guidelines or provisions may apply to individual areas of the code. The code includes 15 principles, ranging from compliance, the protection of human rights, diversity and

environmental protection to data protection, fair competition, reliable communication and avoiding corruption. Dealing with inappropriate behaviour and its consequences are also addressed. The local compliance officers or the Compliance department offer advice and a confidential reporting channel. The code of conduct applies to all employees, regardless of their position in the Company, and is a key topic in the various compliance training courses. Each Group company is responsible for appropriate and effective implementation of the code and proper communication to all employees. The code is available on the Group-wide intranet and online at www.vig.com/code-of-business-ethics.



Human rights and employee rights

VIG makes a clear commitment to human rights in its Code of Business Ethics and takes this into account in its business activities. In its immediate sphere of influence, this concerns how VIG treats its own employees. Good working conditions and recognition of employee rights form the basis for a fair and respectful team spirit. The diversity strategy (which is described in more detail in the Corporate Governance Report) promotes diversity and equal opportunity when hiring and promoting employees, regardless of their beliefs, >

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religion, gender, worldview, ethnic background, nationality, sexual orientation, age, skin colour, disability or marital status (see page 53 for more information on employee rights). To protect personal information and ensure confidentiality, top priority is given to exercising due care when processing customer and employee data (see pages 42–43). The Group also uses international sanction lists and chooses its business partners with the greatest care (see pages 31–34). VIG has also committed to compliance with the 10 principles of the UN Global Compact (see page 81).

Violations of human rights, employee rights and the Code of Business Ethics can be reported to the compliance officers both at the individual Group company and Group levels (see page 30).



Corporate Governance

Corporate governance provisions and measures ensure that responsibility plays a central role in VIG's business activities. VIG Holding complies with the rules of the Austrian Code of Corporate Governance. The deviation from C-Rule 52a of the Austrian Code of Corporate Governance for the 2022 reporting period is presented in the 2022 consolidated corporate governance report.

The remuneration system for the Managing Board is designed for the long term. Variable remuneration depends on business development over several years and non-financial factors are also included when assessing target achievement. The variable remuneration component is also capped. Detailed information concerning

remuneration is published on the company website (www.vig.com/remuneration).

Complete, reliable information is needed to make sound strategic decisions. Group guidelines are approved by the Managing Board of VIG Holding. The Group therefore has experts who provide the Managing Board and local company management with in-depth analyses to help them in their decision-making. Clearly defined channels of communication ensure that needed information can be exchanged between individual Group companies and VIG Holding.

The Managing Board of VIG Holding regularly informs the Supervisory Board members about important sustainability and information security topics. During the reporting period, for example, sustainability was dealt with as an important element of the VIG 25 corporate strategy and the expansion of environmentally friendly investments. The audit committee and Supervisory Board reviewed and checked the sustainability report for 2021 that was provided by the Managing Board and reviewed by KPMG during the reporting period.

The Supervisory Board as a whole receives reports on relevant capital market developments four times a year during Supervisory Board meetings. The information provided focuses in particular on share price performance, research coverage, IR calendar (types of meetings, number of contacts) and IR activities in the period concerned. In addition, VIG Investor Relations informs the Supervisory Board at least once a year about the shareholder structure, voting guidelines of the main voting advisors and a review of the Annual General Meeting. Before Annual General Meetings, VIG Investor Relations also explains the voting recommendations for the proposed resolutions on the agenda and the underlying motives to the Chairman of the Supervisory Board.



Risk management

The insurance industry – and, therefore, the Group's business – faces many challenges and risks, such as investment and underwriting risk (including natural disaster risks). This broad range of uncertainties makes a strong risk culture necessary for the Company to remain profitable over the long term. The Group has an integrated risk management system for this purpose, consisting of a risk management department for the Group at VIG Holding and local risk management units. The risk management processes include risk inventory and risk management. The first of these processes quantitatively and qualitatively identifies all types of risks across the Group. The second process specifies how the risks are managed and monitored. Both of these processes are subject to continuous quality assurance and are further developed if needed.

Among other things, the audit committee monitors the effectiveness of the internal control system, internal audit function and risk management system. The meeting for this took place on 29 November 2022. The audit committee also examines the report prepared by the financial statement auditor on the audit of the functioning of the risk management system and reports its findings to the Supervisory Board.



Risks related to the geopolitical situation and current macroeconomic environment

The ongoing Covid-19 pandemic and war of aggression in Ukraine placed a heavy burden on the economy during the reporting period. Inflation rose significantly in almost all markets where VIG operates. Further development of the conflict and the potential for further escalation of sanctions and countermeasures could further worsen the implications for financial markets and the economy in general and therefore represent one of the most significant uncertainties for VIG. More information is available in the detailed risk report in the Group Annual Report 2022 starting on page 101.



Managing sustainability risks

Sustainability risks include both risks to which the Company is exposed (outside-in perspective) and risks that have a potential negative impact on society or the environment as a result of VIG's business activities (inside-out perspective). These risks have always been considered implicitly or, in some cases, explicitly in risk management. To ensure a structured approach to the identification of sustainability risks in the Group and to adequately reflect both perspectives, a Group-wide list of risks explicitly for sustainability risks was prepared taking into account the guidelines of the Austrian Financial Market Supervisory Authority

on dealing with sustainability risks. The VIG insurance companies regularly review this list of risks for completeness and add new risks, if necessary, as part of a standardised Group risk management process. The list therefore also provides a basis for considering sustainability risks in existing risk management processes for the assessment, analysis and control of Group risks. At the same time, the handling of sustainability risks as part of risk management was also explicitly addressed in internal (risk management) guidelines.

In addition, the sustainability risks relevant to the Group were identified and assessed in the individual insurance companies and at the Group level based on the list of risks during the reporting period. The results were recorded in the Group Own Risk and Solvency Assessment (ORSA) report. Overall, the analysis showed that VIG sustainability risks are currently mainly low to medium-level risks. They are nevertheless expected to become more relevant in the future, due in part to the increasing importance of this topic. The process for the Group-wide identification and assessment of sustainability risks described above will now be performed each year, thereby creating a central foundation for further expansion of an appropriate sustainability risk management system.

Partnerships

Dependable relationships

Good partnerships create more value. The long-term cooperation between VIG and Erste Group is one example of this.

VIG prefers to work with companies that share the same values. The Group strives to create long-term dependable relationships with its business partners. Partners are selected carefully, and fairness, respect, appreciation and transparency form the basis of these relationships. The long-term partnership with Erste Group is an example of this. VIG acquired the Erste Group insurance companies in 2008 and the two have been "preferred partners" since then.

#02

CUSTOMERS

- #Product innovation
- #Customer orientation
- #Comprehensibility of products
- #Data protection and security

#Product innovation #Customer orientation

A culture of openness and innovation

The digital transformation is making even better service quality possible. VIG has been using a Digital Execution Scorecard to measure its digitalisation since 2022.

Customer needs change. A service-oriented company like VIG must therefore also be flexible and innovative and evolve along with the demands of the market. VIG promotes a culture of innovation and has been driving digitalisation forward for years in order to improve the customer experience with new products and digital communication channels. VIG continuously surveys the progress of its Group-wide digitalisation. The digital self-assessment that was previously performed was replaced by a Digital Execution Scorecard in 2022. The tool is also used by other companies, which makes comparisons with its competitors in the financial sector possible. Digital key performance indicators (KPIs) show the strengths and weaknesses in different areas and companies, allowing local management to develop recommendations for action, such as needed investments.

Digital Hub: a central digitalisation engine

VIG Holding is assisting its insurance companies with a Digital Hub that provides a number of services, such as the Digital Base, a web platform that the compa-

nies can use to exchange best practice examples. The Digital Hub also provides information on start-ups and connects the companies with each other in order to build a Group-wide digitalisation and innovation community. Cooperations also take place via the Digital Hub, such as those with Digital Impact Labs Leipzig and the insurtech fund Venpace. The cooperation with Plug and Play was, in turn, extended by three years. This allows VIG to continue accessing a network of 20,000 pre-screened start-ups.

VIG Xelerate: Celebrating innovation

The internal Group innovation competition VIG Xelerate has also been held regularly by the Digital Hub since 2018. It awards prizes to the companies' promising digitalisation projects and offers them financial support. This strengthens the culture of openness and innovation and provides an important platform for the transfer of know-how within the Group. Plug and Play was invited to take part in the evaluation of the projects for the first time in 2022. All VIG companies can submit innovation projects. The VIG

Holding Managing Board invites the best teams to personally present their projects on a Pitch Day.

The winners of the Pitch Day in December 2022 were:

- **Wiener Städtische** (Austria) with "360° View": The aim of the project is to increase customer satisfaction by creating a comprehensive customer profile that is updated in real time and enables customers to receive personalised information and offers via different channels.
- **Compensa Life** (Baltic states) with "Automated Policy Lifecycle": Artificial intelligence (AI) will be used to respond to claims and other requests relevant to customers more quickly in the future.
- **Omniasig** (Romania) with "Omni Cockpit": The project is aimed at increasing direct sales by, among other things, linking existing data to further improve customer satisfaction.

Material topics:**#Product innovation #Customer orientation #Comprehensibility of products****Why the topics are important**

An orientation to customer needs, comprehensible products and needs-based services are the key to long-term success. Designing products and services is part of our core business. On the one hand, it has effects on customers, e.g. healthcare services (see page 40) make it easier for health insurance customers to access medical services. It can, however, also have positive effects on the environment, e.g. due to products such as “green” life insurance.

Opportunities

Increase customer satisfaction with, for example, new products and services, especially value-added services

Risks

A lack of innovative and sustainable products, employees, systems and processes not prepared for change (for related measures, see pages 44–47 in the employees section).

Due diligence processes and measures

The VIG 25 strategic programme includes a wide variety of initiatives in these areas (e.g. promotion of the digital transformation, customer loyalty). The digital self-assessment the insurance companies performed in the past was replaced by the Digital Execution Scorecard in 2022. It uses digital performance indicators to help track the progress achieved in implementing digital strate-

gies. VIG Holding also supports the companies with advice and the transfer of know-how within the Group, and uses the internal Group innovation competition VIG Xelerate to promote the development of new ideas.

Responsibility

The local Group companies are responsible for designing products and services that meet the needs of their local customers.

Goals

Continuing and intensifying the digital transformation, developing new ways to approach and retain customers in order to respond to changes in their expectations and behaviours.

Successes

Continuous development of new products and services (see pages 36, 38–40)

New and better services

VIG companies are constantly working on innovative products for their customers.



Rapid claims processing with AI

Claims processing in the motor vehicle business is usually a drawn-out process requiring cooperation between different parties. A digital solution to this has been developed by **Beesafe**, an insurance start-up founded by **VIG Holding** and the Polish company **Compensa**. After filing a claim, policy holders receive a web link to which they can upload photos of the damage. A basic AI programme then analyses the damage and estimates the repair costs. Beesafe experts check the proposal and forward it. This process takes less than ten minutes for a regular claim, compared to the previous waiting time of several days.



“Iosleben” is the most popular insurance app

The **Wiener Städtische** “Iosleben” app was named Austria’s best insurance app for the second time in a row based on a survey by the test institute ÖGVS. “Iosleben” received an excellent 13th place out of a total of more than 450 apps examined across all sectors. Customers can use “Iosleben” to submit doctor’s bills and medicine receipts, as well as household, homeowner and motor claims.

The “Iosleben” app allows many services to be easily used on a mobile phone.



Digital household insurance

Austrian company **Wiener Städtische** has added two new products to its online product range. The “living.up” and “living.up – now” household insurance policies can be purchased with just a few clicks. Customers receive all the necessary documents by email as soon as the policies are concluded. Insurance coverage already begins starting as of the next day. Household insurance can also be purchased online from the Austrian company **Donau Versicherung** since 2021. Its “Wohnen-Next” focuses on innovative design and user-friendliness.



Digital customer portal

Donau Versicherung has developed a digital customer portal that offers a range of digital services: an overview of insurance contracts and potential claims, digital policies, loss reports, invoice submission and a quick way of contacting the customer service team. **Wiener Städtische** also launched a digital customer portal in 2022. With just one click, you can see an

overview of all policies and claims. New documents are delivered directly to the mailbox and claims can be reported quickly and easily. In addition, it is possible to contact the advisors directly via the portal. The login details can also be used for the “Iosleben” app, meaning that customers are always able to choose the communication method that is most convenient for them. In addition to its website, Bulgarian company **Bulstrad Life** has been offering its health insurance customers an online platform with special services for many years that has since been permanently expanded and is now also available as an app since 2016. “B-Assist” enables customers to take out new policies, book doctors’ appointments and submit claims for reimbursement, for example. Features such as a chatbot are available to assist with questions.



Efficient underwriting platform

Since summer 2022, the Czech insurance company **ČPP** has offered a digital underwriting platform for companies where underwriters can prepare insurance coverage quickly and easily. In addition to making the process faster and more user-friendly, the platform also reduces costs and the risk of potential errors.



Quick motor vehicle insurance

Romania-based **Omniasig** is making it easier to take out motor vehicle insurance. Potential customers can upload photos of their vehicle using a proprietary app. A basic artificial intelligence programme detects features of the car, such as any existing damage, and performs a digital risk inspection.





© FMVÖ

Managing Board Member Manfred Bartalszky (centre) is pleased about the special “Best Customer Service” award for Wiener Städtische. Erich Mayer (left) and Robert Sobotka (right) from the Austrian Finance Marketing Association (FMVÖ) provide congratulations.



© Kooperativa (Czech Republic)

Czech company Kooperativa was voted “Insurer of the Year” and also took second place in the “Responsible Insurer of the Year” category. CEO Martin Diviš (left) and CSR Manager Milan Medek (right) accepted the awards.

Customer orientation

Mission: Satisfied customers

Customer satisfaction is very important to the VIG companies. This has been confirmed by many awards.

NEW CENTRE OF COMPETENCE

VIG launched a customer experience centre of competence for the entire VIG Group in January 2023. It is part of the VIG 25 strategic programme that VIG is using to create additional benefits for customers, among other things. The aim of the centre of competence is to define uniform parameters and tools for all companies to measure and improve customer satisfaction. There are also plans to establish a “Voice of the Customers” community for the exchange of best practices.

VIG companies aim to meet their customers’ needs as effectively as possible, which is why one of the three core values in the VIG mission statement is “customer proximity”. Numerous awards confirm how systematically this concern is pursued and externally honoured.

For example, **Wiener Städtische** in Austria was delighted to receive the special prize for “Best Customer Service” from the FMVÖ (Finanz-Marketing Verband Österreich – Austrian Finance Marketing Association) at the 2022 Recommender Awards.

Donau Versicherung received one of the “Fonds professionell Service Awards 2022” for its excellent customer service and third place in the “AssCompact Claims Awards”.

Kooperativa in the Czech Republic was once again named “Insurer of the Year” in a prestigious competition run by Mastercard. It also took first place in the “Insurance

Company Without Barriers” category and second place in the “Responsible Insurer of the Year” category. Kooperativa also achieved several podium finishes in the “Golden Crown” competition, which rewards the best financial products on the Czech market. **Union Biztosító** in Hungary was named “Outstanding Digital Insurer” by the Digital Wellness Financial Trademark Programme. Polish company **Wiener TU** received the “Golden Customer Laurel 2022” award in the “Green Strategies for the Economy” category. The prize was awarded on the basis of a survey of over a thousand consumers, who provided information about their favourite brands and products. Bulgaria-based **Bulstrad Non-Life** was voted “Insurer of the Year 2021” in the non-life insurance category, while **PAC Doverie** – also in Bulgaria – received the same award in the pension insurance category.

Green retirement provisions

VIG companies offer unit-linked life insurance policies that provide added value for the environment and society.

Those who put a little money aside for their retirement can choose whether their capital provides valuable services in the meantime. VIG companies make this choice possible by offering unit-linked life insurance policies that invest in ESG funds. Since 2021, the EU Disclosure Regulation has specified precisely what this means. It introduced two categories of sustainable financial products. Article 8 financial products – also referred to as “light green” – take into account and promote environmental and/or social aspects of the investment. “Dark green” Article 9 products go a step further and aim for concrete positive impacts on the environment and society.

Capital for renewable energy and co.

VIG companies offer a range of life insurance policies that invest in Article 8 and Article 9 funds. With “Union GreenTrends” in 2021, **Union Biztosító** launched the first investment fund on the Hungarian market that has specific sustainability goals and was therefore classified as an Article 9 fund

by an external data provider. The fund invests in bonds and shares from companies that operate in sectors such as renewable energy, e-mobility, water management and recycling. For this and other activities, the Hungarian National Bank presented the VIG company with the “Green Insurer and Pension Fund Award”, an award given to the country’s greenest financial institution, for the second year running.

Two examples from Austria are the Article 8 fund policies “Eco Select Invest” and “s Fonds-Polizze Eco” from **Wiener Städtische**, which have both been awarded the Austrian Ecolabel. To raise awareness of sustainable financial investing, Wiener Städtische is also working with the “Regenwald der Österreicher” (Rainforest of the Austrians) association. For every newly purchased fund policy, 10 m² of rainforest in Costa Rica was bought and therefore protected, and a tree was planted too. The time-limited campaign purchased and conserved 10,000 m² of rainforest,

thereby removing 700 tonnes of CO₂ from the atmosphere. The “Green Protect” fund policy from **Donau Versicherung** was also awarded the Austrian Ecolabel in 2022.



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Donau Versicherung Managing Board Member Edeltraud Fichtenbauer accepts the “Austrian Ecolabel” award from Federal Minister Leonore Gewessler.



Better health: Long Covid etc.

VIG companies are helping their customers to look after their health. Just like other products, these schemes are constantly evolving and being adapted to meet new requirements. For example, the health insurance offered by **Wiener Osiguranje** in Croatia includes medical advice via video call, which is available 24 hours a day. **Wiener Städtische** offers many digital and analogue health services as part of its

private health insurance in Austria, including an online medical consultation from any location and without appointments or waiting times using the eedocors app on a smartphone. Customers who do not feel fit after being ill with Covid-19 can also request screening for long Covid. A wide range of products is available for private doctor insurance, offering the right solution for every budget.

Comprehensibility of products

Contributing to education: Awareness of risk provisions

VIG companies are involved in a broad range of projects for improving financial education that, among other things, help young people make better decisions and take responsibility for their lives.

People only protect themselves from risks if they are aware of issues such as prevention and risk insurance. One focus of the VIG 25 strategic programme is therefore to promote such awareness. VIG companies fulfil this educational mission through a wide range of projects that are adapted to their respective markets and target audiences.

For example, **VIG Re** in the Czech Republic organised an open day in 2022 in order to teach children and their parents more about the world of insurance. **PAC Doverie** in Bulgaria and **Asirom** in Romania are committed to providing middle schoolers

with basic financial knowledge through a project from the non-profit organisation Junior Achievement. Croatia-based **Wiener Osiguranje** participates in “Sigurnije sutra” (A Safe Tomorrow), a joint initiative set up by several insurance companies and interested parties. Experts go into schools to give talks and participants run a number of blogs about improving general financial literacy. Employees of **Omniasig** and **BCR Life** in Romania give talks in schools too. BCR Life employees also teach students about insurance and personal finances. **Union Biztosító** in Hungary supports the financial education programme of the Association of

Insurance Companies, which has developed products such as an online game that has attracted over 10,000 players since it was launched. Slovakia-based **Komunálna** started a podcast series at the end of 2021 as part of the “Responsible for yourself” project. And **Compensa Life** in the Baltic states has been offering weekly courses on Facebook, which are open to all, since 2020.

Czech company VIG Re provides insights into the world of insurance on Family Day.



© Tomáš Hromáda

Customer orientation

Quickly, fairly and without complications

Complaint management ensures that any problems are solved quickly and easily.

The aim is to achieve the best possible customer satisfaction. The VIG insurance companies perform regular customer satisfaction analyses. If complaints nevertheless arise, the employees in complaint management ensure that they are handled quickly, fairly and without complications. The Group’s decentralised approach can also be seen here, as each Group insurance company has its own contact person for complaints.

They handle a wide variety of concerns, mainly about products and services. Complaint handling data is analysed regularly to identify and address repeated or systematic problems and potential legal or operational risks. The Managing Board is informed annually about the complaint activity.



Material topics:

#Data protection and security

Why the topic is important

The Group has data related to life and health insurance that is particularly sensitive. The impacts of data protection breaches occur inside and outside the organisation and employees and customers are mainly affected.

Opportunities

Responsible handling of data can increase customer and employee trust

Risks

Data protection breaches, cyber attacks

Due diligence processes and measures

A data protection management system exists. IT security incidents must be reported to VIG Holding in monthly reports, critical incidents are reported to the responsible Managing Board member immediately.

Guiding principles/guidelines

Data protection guidelines, IT security guidelines (based on the ISO 27001 standard, also apply to external service providers)

Responsibility

VIG Holding and each VIG insurance company have data protection officers. A data protection coordinator at VIG Holding is responsible for the coordination within the Group. In addition, all VIG insurance companies have people responsible for IT security. VIG Holding also has a steering committee responsible for IT security.

Objective or ambition

Provide the best possible protection for customer data and information assets and ensure overall information security for the Group

Successes

A variety of training and awareness-raising measures were implemented (e.g. using e-learning, intranet articles) to ensure that employees know about cyber risks, cyber threats and how to securely manage all types of information



#Data protection and security

Protection for sensitive data

Sensitive data is systematically protected in VIG. Both technical and organisational measures are used for this.

Sensitive customer and employee data is a valuable asset. VIG therefore implements many measures to protect it. A data protection coordinator at VIG Holding has managed all such projects since 2019. The data protection officers at the individual companies are responsible for implementing specific measures. They also analyse new projects from a data protection point of view and train employees. The data protection management system includes technical and organisational measures, as well as measures to raise the awareness of risks.

The data protection experts in the Group share information extensively. Meetings are held by video conference approximately every three weeks. They either discuss a pre-arranged topic, such as a recent decision by the European Court of Justice, or deal with a variety of topics in an “open meeting”. There were 59 data protection

breaches for the VIG insurance companies during the reporting period that were reported to the data protection authority, and two substantiated complaints based on official procedures, with one complaint related to a data protection breach in 2018. Data protection breaches and related complaints are analysed by the local data protection officers and the results of the analyses are used to prevent similar events in the future.

Focus on IT risks

Reliable data protection is only possible with professional IT operations today. VIG uses a multi-level security concept for managing IT risks. It ensures that electronic information and data, applications, hardware and infrastructure are protected as far as possible against cybercrime and other threats. The Group IT security guideline, which is based on the ISO 27001 standard, is binding on all VIG

companies and is reviewed and updated regularly. External service providers are also included in its scope. They must also have certain internationally recognised certifications in order to provide IT services for the Group. All internal IT providers in the VIG Group are certified under ISO 27001. Other layers of the security concept include physical access controls, alarm and monitoring systems and logical network security systems that identify and prevent unauthorised access to data. External security specialists also perform regular security audits.

The human factor

Since cyber criminals are using increasingly sophisticated methods, the VIG companies inform their employees intensively about cyber threats. This is because well-informed, aware employees play an important role in preventing IT security breaches. In addition to the VIG Holding steering committee responsible for IT security, the security experts at VIG Holding and the VIG insurance companies exchange information regularly on current IT security topics. Any IT security incidents are reported to the VIG Holding IT security officer (CISO) on a monthly basis. Information about critical incidents is reported to the responsible Managing Board member immediately.

More details about information security are available on the Company website at: www.vig.com/information-security



#03

EMPLOYEES



Learning and development

Life balance and health promotion

Diversity and equal opportunity

Learning and development

Fit for the future

The personal development of employees and of VIG are closely linked. This is ensured by the numerous training measures that strengthen the competences for long-term success.

The VIG Talent Toolset has been used as a basis for many learning and education measures in the Group since 2021. This competence model was developed by VIG Holding Human Resources together with the Group companies. It defines the skills that employees, experts and managers in a modern insurance company need in order to be fit for the challenges of the future. The competences are aligned with VIG's strategy and support its dynamic further development. They are reflected in numerous HR initiatives, both in Group-wide training and the measures taken by the individual companies.

Group-wide training

Some training measures concern the Group as a whole. They strengthen Group spirit, are based on common standards and promote exchange and learning between the individual companies. They are an important investment for VIG, as they focus on promoting management skills and a management culture, which are essential success factors in a time of rapid change.

The **talent programme** was developed with an international management school in Berlin. The three custom-designed modules "Leadership and Change", "Strategy >

The talent programme strengthens the competitiveness of VIG and its employees.





Illustration below: Shutterstock/Egger & Lersch



© Salvatore Branati



© Salvatore Branati

Material topic:
Learning and development

Why the topic is important

Employee learning and development is essential for every company. The technical knowledge of employees, their customer-orientation and openness to new developments are some of the most important factors in the success of insurance companies. Employee learning and development are therefore very important to VIG.

Opportunities

Employees can react quickly to changing conditions and new developments, increasing employee satisfaction

Risks

A lack of knowledge in the Company, non-compliance with the Insurance Distribution Directive

Due diligence processes and measures

Since the Group companies are responsible for the design and organisation of learning and development programmes, they can adjust them to meet the needs of their local employees. An annual survey is performed of the average number of training hours completed in each company.

Responsibility

VIG insurance companies design and organise local training, seminars and other events for their employees. Group-wide learning and development programmes are developed by Human Resources at VIG Holding and carried out with competent international cooperation partners.

Goals

Managers and employees are fit for the future.

Successes

- New educational formats, continuation of existing educational formats and the use of digital learning platforms
- Virtual learning journey to Stockholm incl. avatar world and hybrid programmes, such as the VIG talent programme or VIG executive leadership programme



>

and Responsibility” and “Innovation and Digitalisation” especially strengthen VIG’s competitiveness. The participants may have different management experience, bear responsibility for important processes and projects or hold other key positions.

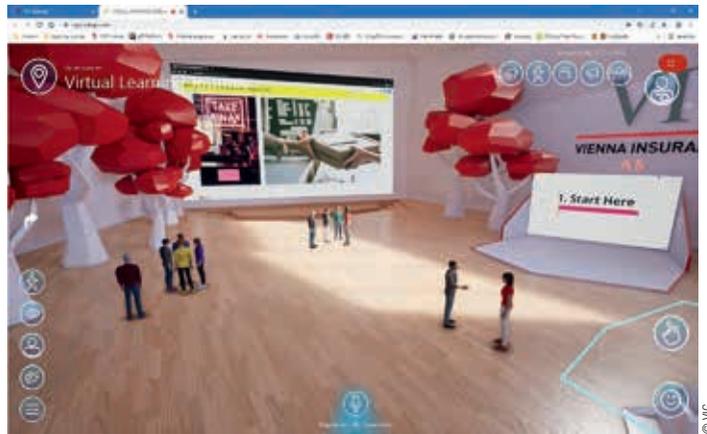
The **digital learning journey** on the topic of **Innovation & Entrepreneurship** offered the participating CEOs and managers from the Group the possibility of looking beyond their day-to-day business. The journey, which takes place in a metaverse environment was developed with a renowned Austrian business school. It consisted of academic talks and virtual visits to innovative companies in Stockholm, where a large European IT cluster is located. The participating VIG managers learned best practice examples for managing innovation projects and dealt with the question of how innovation can be translated into sustainable business models.

The **executive leadership programme** took place in the Slovakian city of Bled and was aimed at managers and people in other Central Functions. The main focus was on relevant leadership topics such as strategy, current management challenges in a digitally networked world and the promotion of authentic and trusting relationships within the Group.

VIG also continued its cooperation with the **Masterplan** digital learning programme in 2022. Around 3,000 employees throughout the Group can already take advantage of the extensive and diverse e-learning programme, which focuses on VIG’s priorities of digitalisation, innovation, leadership, diversity and sustainability.

Networking and information exchange for special target groups

A number of event series offer special target groups the opportunity to network and exchange information on current developments. The **“Communication matters”** series is aimed at VIG Holding managers and



The digital learning journey on the topic of Innovation & Entrepreneurship took place in a metaverse environment.

was devoted to topics such as “I care, you care, we care!”, “Generation management in teams” and “Change – from pioneers, those who wait and criticise, to creators” in 2022. HR managers in all of the companies were able to benefit from the lecture on “Sustainability & ESG” and “Job profiles in insurance” in the **“HR Community matters”** series. **“Expertise matters”**, on the other hand, is aimed at the experts in VIG Holding and highlights current issues, such as “cooperation and team spirit meet new work” or “innovation”. The **“En-ROADS Climate Simulation Workshop”** with Alice Schmidt is a sustainability simulation game offered for experts from the entire Group.

The **“HR Coffee”** is the communication centrepiece from VIG Human Resources for VIG Holding employees. It addresses a variety of topics covering different aspects of day-to-day work, such as life balance, resilience, cooperation and team spirit. The topic of sustainability was a special focus in 2022. ORF weather expert Marcus Wadsak provided a virtual lecture explaining the consequences of climate change – especially for insurance claims – and possible counter-strategies.

Team coaching sessions were also offered in 2022 to further promote mutual appreciation and productive team spirit. Human Resources supported managers in planning and conducting the events.

Initiatives in Group companies

The Group companies also offer many training programmes, some of which are singled out here as examples. Croatia-based **Wiener Osiguranje** launched a development and mentoring programme for talented individuals and key personnel, which gave these employees the opportunity to further develop their career within the company. **Wiener Städtische** in Austria offered its employees a total of



The executive leadership programme in Bled promoted strategic thinking, leadership skills and trusting relationships within VIG, among other things.

50 training tools, available in person or online, under the motto #gemeinsamwachsen (grow together). The training focused on personal and professional growth. (Online) training and coaching was offered in the areas of “healthy working” and “mental strength”. Talks focusing on topics such as sustainability in leadership were introduced at the management level.

The training programme at **Asirom** in Romania centres around diversity, while one of the focal points of **Union Biztosító** in Hungary is physical and mental health. The newly appointed Talent Development Officer in the Czech company **VIG Re** is responsible for systematically increasing growth opportunities for the entire workforce.

Among other things, the Polish company **Compensa** uses an internal platform with webinars, podcasts, animations and short videos for training purposes. It has also developed a new e-learning platform for its employees. **BTA Baltic** in Latvia has also launched a digital, interactive learning platform. Slovakian company **Komunálna** offers its staff a new advisory programme for financial and legal matters.

In 2022, VIG acquired a number of companies from the Aegon insurance group. VIG Human Resources offered the HR management team at the companies concerned onboarding in the form of virtual workshops about the Group’s HR work. This laid the foundations for a productive collaboration.



Sustainability expert Alice Schmidt (right) led employees through a simulation game on climate change.



ORF weather expert Marcus Wadsak provided a virtual lecture explaining the consequences of climate change and counter-strategies.



Average hours of training per full-time equivalent by gender and employee category

	2022	2021
Male	36.9	32.4
Female	34.4	31.9
Office staff	25.5	22.1
Field staff	43.8	40.7
Managing Board members	29.1	26.8
Management directly below the Managing Board	32.5	36.8
Employees (not including management)	35.5	32.0

LEARNING AND DEVELOPMENT WITH A FOCUS ON ESG

VIG offers a variety of learning and education programmes in the area of ESG for employees, experts and managers. In the Austrian insurance companies, the mandatory introductory programme for new employees includes ESG content. Sustainability topics are also repeatedly included in existing HR training programmes. The annual ESG meeting that is attended by ESG experts from the Group companies includes presentations on ESG-related developments with interactive elements and promotes the exchange of information between VIG ESG experts. Specialised ESG topics are also addressed in other Group-wide meetings, such as the 2022 meeting of asset managers and asset risk managers, which stressed the importance of integrating sustainability topics into the investment process. The 2022 ESG workshop for the VIG Holding Managing Board focused on an overview of the regulatory requirements and the ambition and positioning of the Group in the area of sustainability.

Solidarity within the Group

VIG began organising aid and support campaigns immediately after the start of the war in Ukraine. The Group operates several companies in the country: USG, Kniazha, Kniazha Life, VIG Services Ukraine, Ukrainian Assistance Service. To provide targeted support for the Group's Ukrainian employees and their families, VIG management established the VIG Family Fund, which is intended to cover

medium and long-term losses due to the war. More information on VIG's support measures for the people in Ukraine is provided in the "Society" section starting on page 56.

Information on donations to support the employees of the companies in Türkiye who were affected by the earthquake is provided on page 68.

An excellent employer

Numerous awards document the attractive working conditions and quality employer branding and recruiting in VIG.

After two years, VIG made it onto the list of "Forbes World's Best Employers" again in 2022. The business magazine prepares this list to recognise the 800 best employers in the world. The ranking is based on a survey of 150,000 employees of companies and organisations.

VIG Holding made it into the top 100 of a ranking by the employer branding agency **Universum** that was based on a survey of Austrian business students. The annual "Best Recruiters" study named VIG Holding the best company in the Austrian insurance industry. It also received 3rd place for the first time in the ranking of the 500 Austrian companies analysed. The comprehensive study used around 250 criteria to assess the companies'

The consistent high quality of the HR work performed by VIG Human Resources was once again recognised by a number of awards.

employer branding activities and recruiting. According to the "Leading Employers" study, VIG Holding is in the top 1 per cent of the best employers in Austria. The meta-analysis examines the characteristics of 40,000 companies worldwide.

VIG Holding received 4.2 out of 5 possible stars on the **Kununu** rating platform. It therefore ranks as a "Top Employer". The ratings were submitted anonymously by employees. 89% of them would recommend VIG Holding as an employer.

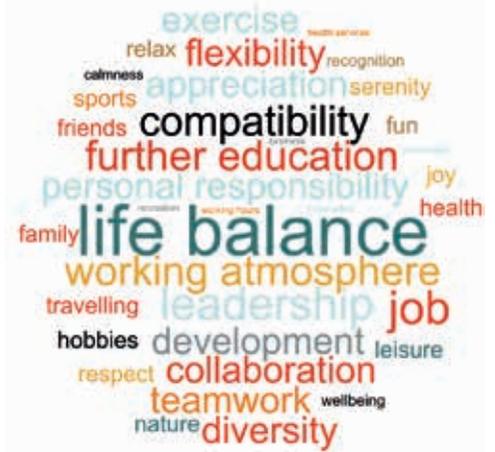
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#Life balance and health promotion

Healthy lives

VIG Human Resources management develops measures to improve the life balance of all employees.



VIG provides many measures aimed at the health and well-being of its employees. The focus is on “life balance” because the term is better at expressing the idea that work and life are closely connected and inseparable than “work-life balance”. The Group companies develop initiatives that meet the needs and preferences of the local employees based on this concept. They promote sporting activities and mental health, provide support for work and personal challenges and make it easier to achieve a balance between career and family.

Mental health

The subject of mental health is a top priority for many group companies. Employees receive support in the form of psychological counselling, coaching or training programmes. At **VIG Holding**, the Employee Assistance Programme is available to all members of staff. A counselling team is available to support and coach employees and all the people in their household – free of charge and anonymously, both as a preventive measure and in an emergency. Counselling can be about career changes, for example, but also about marriage, partner or family counselling or grief counselling. A wellbeing platform that aims to promote work-life balance through videos, podcasts and articles has also been available since 2021.

At the Slovakian companies **Komunálna** and **Kooperativa**, psychological counselling and a crisis hotline staffed around the clock are available to employees and their families. Many other

companies offer seminars, webinars or workshops on different subjects relating to mental health, and in some cases individual psychological counselling.

Sporting activities

Many measures are aimed at physical fitness and well-being. These aspects have played an even greater role since the Covid-19 pandemic. The companies also develop a wide range of initiatives tailored to their employees in this area. The VIG Holding Human Resources team, for example, launched the “Keep Moving” programme. VIG Holding employees can choose from a number of sports and mobility programmes to maintain and promote their life balance. Programmes for healthy and sustainable sports and mobility options are combined with

information on sustainability. In addition to promoting the health of employees, they are also aimed at strengthening employee loyalty and VIG’s image as an attractive employer.

The “VIG Bike” campaign is part of Keep Moving. It allows VIG Holding employees to use a bicycle or e-bike at particularly favourable terms for four years. Other companies are promoting cycling as a healthy and sustainable form of mobility too: **VIG Re** in the Czech Republic supports the “Bike to Work” initiative every year and provides on-site showers and lockers for cyclists. The company also promotes other sustainable modes of transport for employees such as walking or using public transport, including financial subsidies. >



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Healthy movement: Due to the “VIG Bike” campaign, employees of VIG Holding can use a bicycle or e-bike at low cost.



© VIG

A number of VIG companies promote sporting activities, such as participation in running events.

>

Compensa Non-Life in Lithuania provides bike stands and promotes car-free days. The staff at **InterRisk** in Germany can lease job bikes.

Running, rowing, fitness centres

Several companies take part in running events. **VIG Holding** gives sustainably produced sports T-shirts to employees and promotes participation in the Vienna City Marathon, Business Run and Pride Run. Austrian company **Wiener Städtische** created a running challenge for employees to collect as many kilometres as possible. They were running for both fitness and the environment, with the company donating 25 euro per participant to the “Regenwald der Österreicher” (Rainforest of the Austrians) association. Thanks to the employees’ efforts, 338 trees were planted and 3,380 m² of forest was purchased and conserved in the “Rainforest of the Austrians”.

InterRisk in Poland organises a charity run every year. More than 700 employees of InterRisk and other Polish VIG companies as well as business partners participated in the campaign in 2022. They raised close to EUR 16,000 in donations, which went to charities that care for children with cancer, people with mental health problems or physical disabilities, among others.

Employees at **Wiener Osiguranje** in Croatia also took part in a number of running events, as well as in a rowing regatta specifically for insurance companies. Employees of **VIG Holding**, **Wiener Osiguranje** in Croatia and **Bulstrad Life** in Bulgaria receive financial subsidies to participate in sporting activities at fitness centres. Employees at **Asirom** in Romania can take part in weekly Pilates sessions. **Wiener Städtische** in Austria also helps employees working from home to stay fit with a fitness video series.

Days off for special occasions

Employees at some companies can take additional days off – at **BTA Baltic** in Latvia,

for example, employees get a day off for their birthday, their child’s first day at school or to donate blood. The Czech companies **Kooperativa** and **ČPP** generally give their employees five additional days off each year. In **Kooperativa**, single parents also receive a bonus day off each quarter and the employees of the Romanian company **Asirom** receive a day off on their birthday.



Work and family in balance

VIG companies demonstrate family-friendly commitment. A children’s camp in Vienna helps working parents plan for the summer.

It is not always easy to meet the demands of both work and family. VIG companies like the Austrian **Wiener Städtische** and **Donau Versicherung** feel it is their responsibility to help achieve a balance. Both companies have received the “berufundfamilie” (Career and Family) seal of approval for their family-friendly working environment for years.

After successful completion of the re-audit at the end of 2021, **Wiener Städtische** once again received certification as a “family-friendly employer” in March 2022. The company has also set ambitious goals for the future. For example, measures for apprentices and young employees and for employees returning from parental leave are planned. “FRIDA”, a company-wide information and networking platform for interested women, was launched in autumn 2022 (more information on page 52).

The “Wiener Städtische City Summer Camp” provides childcare during the summer holidays. During the summer of 2022, the 7- to 14-year-old children of employees of **VIG Holding**, **Wiener Städtische** and **Donau Versicherung** devoted two weeks to the topic of “science, technology and adventure”, including a science show and space training camp.

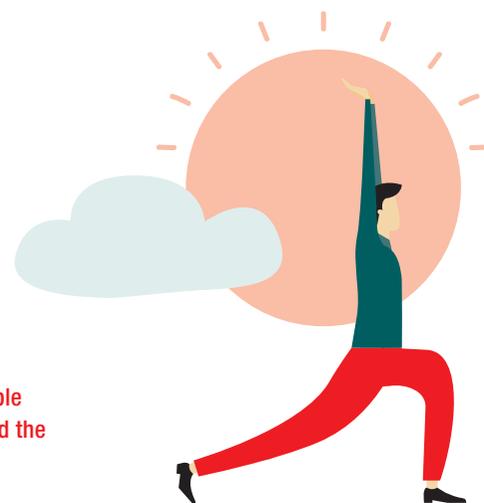


VIG Holding invited employees on leave to a meeting in summer 2022.



InterRisk in Poland organises a charity run every year.

© InterRisk Polen



86.9%

of the employees benefit from flexible working time models that go beyond the legal requirements.

In 2022, the average number of sick days per employee was

7.6 days.*

(2021: 6.8; 2020: 7.0; 2019: 6.9)

* The number of sick days has limited applicability to the occupational health status of employees in an international service company. For example, a high average number of sick days in a company could be due to a small number of employees with long-term illnesses. Recording employee illness, however, is also connected with local social laws, e.g. to determine whether employees should receive immediate pay compensation. In Austria, based on current legislation, occupational disability due to coronavirus illnesses was not recorded as "sick leave" but as "isolation in accordance with the Epidemic Act". Those days are therefore not included in the statistics for sick leave.

Health programmes in VIG insurance companies:

Ergonomics

88.4% (2021: 85.4%, 2020: 85.7%, 2019: 88.6%, 2018: 88.6%, 2017: 78.6%)

Burnout prevention

81.4% (2021: 68.3%, 2020: 76.2%, 2019: 72.7%, 2018: 63.6%, 2017: 61.9%)

Preventive health care

81.4% (2021: 73.2%, 2020: 71.4%, 2019: 72.2%, 2018: 75.0%, 2017: 73.8%)

Health counselling

67.4% (2021: 68.3%, 2020: 69.0%, 2019: 63.6%, 2018: 65.9%, 2017: 66.7%)

Physiotherapy

27.9% (2021: 24.4%, 2020: 21.4%, 2019: 22.7%, 2018: 20.5%, 2017: 28.6%)

The distribution of the above-mentioned programmes is based on the consolidated insurance companies. The percentage of employees that benefit from the programmes is generally higher, however, as the programmes are offered more in large companies. Health counselling, for example, is offered in 67.4% of the companies, but 75.9% of the employees work for these companies.

Support during parental leave

VIG Holding offers professional, anonymous coaching for parents both before and during parental leave to help them prepare for their new role, compatibility issues and other challenges. In summer 2022, the Human Resources team also organised a meetup for those on parental leave, so that the mothers and fathers in question can stay in touch during their leave period and clarify any issues. **Kooperativa** in the Czech Republic is likewise committed to helping parents on leave, having set up a private Facebook group in 2021 where parents can exchange information.

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#Diversity and equal opportunity

Valuing and making use of differences

Diversity is one of VIG's core values. The Group-wide diversity strategy allows the companies to choose different priorities.



At VIG, diversity management means sincere appreciation, open interaction and the intentional use of diversity. Diversity is understood to mean the similarities and differences that exist in VIG's different companies, markets, employees, partners and customers. VIG Holding has had its own Diversity Advisor since 2017. The diversity strategy applies throughout the Group and allows flexibility of implementation. The companies are required to prepare a diversity concept, but can choose their priorities themselves, based on local needs and requirements. The **VIG Holding** Human Resources team has prepared a best practice book that presents measures and projects from the diversity management of the companies, thereby showing the range of differences in the Group-wide commitment to diversity. It serves as a source of inspiration that promotes the internal exchange of information and mutual learning.

LGBTQIA+: proud to be colourful

In **VIG Holding**, for example, the focus is on gender, generations and internationality. VIG Holding and the Austrian companies **Wiener Städtische** and **Donau Versicherung** implement a number of measures to show support for the LGBTQIA+ community. In 2021 and 2022, they carried out a "virtual pride" campaign on the intranet and social media channels, including videos, statements and reports on participation in events, such as a

Pride Picnic and the Pride Run, a running event in Vienna that sets an example for acceptance. The company buildings were also decorated with rainbow flags.

The company has had an internal contact person for the LGBTQIA+ community since October 2019. The "all colours" network provides a platform for all LGBTQIA+ employees and supporters to network and exchange information. The projects also include a regular (virtual) social get-together. In October 2022, this social event went beyond the Austrian companies for the first time under the motto "all colours goes CEE" and opened its doors to colleagues and friends from Central and Eastern Europe.

Guidelines for inclusive language

Language shapes our thinking. Reflecting on the way language is used can help to reduce unconscious prejudices. **VIG Holding** therefore prepared guidelines for inclusive and appreciative language. It provides many recommendations for positive communications that improve team spirit and understanding in the Company and also make diversity visible in the language we use.

Diverse opportunities

Regardless of age, gender, education, work experience... VIG offers job and development opportunities for various groups of people. The goal is to discover

employees' individual talents, promote their strengths and offer long-term development prospects.

Support for women

Wiener Städtische in Austria launched the women's network "FRiDA" in March 2022, which can be used for networking and professional discussion, and is also open to colleagues from Donau Versicherung. Plans include walk-and-talks on management and career topics, expert lectures and networking meetings. Some offers are also open to male colleagues. A large survey in which around 1000 employees participated has already been conducted. Several measures were already implemented based on the results, such as a point of contact for career advice and a standard parental leave scheme for field staff.

Kooperativa in the Czech Republic is committed to advancing women too. The company's Club of Female Managers, which has over 100 members, expanded its networking and mentoring activities in 2022. The Georgian company **GPI Holding** offers its staff generous parental leave and is also endeavouring to hire more middle-aged women to work in areas such as sales. The workforce in the IT department is already 50% female.

Diverse generations

The Moldovan company **Donaris** has set up a mentoring programme so that older

The Austrian companies Wiener Städtische and Donau Versicherung support the LGBTQIA+ community with a number of measures.



© Christina Hanek

and younger employees can learn from one another. Sharing expertise helps to overcome new challenges while also improving communication between different departments. IRAO in Georgia is using workshops and internal communication measures to improve knowledge about different generations within the company and consequently increase mutual understanding.

Accessible cooperation

Wiener Städtische employs around 80 people with disabilities in a wide variety of areas – for example, in sales, as clerks in the insurance lines or in service areas. Cooperations with MyAbility and the Essl Foundation are aimed at continuously optimising working conditions for people with disabilities and drawing attention to examples of successful accessible cooperation.



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OBJECTIVES OF THE HUMAN RESOURCES STRATEGY

THE OBJECTIVES ...

- the Group should be seen as a diverse, innovative, learning organisation
- management should ensure employees have a positive working environment and support them with future challenges
- strengthen the feedback culture

... ARE ACHIEVED BY ...

- strategic HR partnerships
- a sustainable value-driven working environment
- management and employees that are fit for the future

WORK IN THE BEST ENVIRONMENT

The Group also respects and supports international human rights in its human resources work. There is, of course, no forced labour or child labour in any VIG company. Discrimination is not tolerated. The Group recognises employee rights such as freedom of assembly, collective agreement negotiations and the choice of representatives. Collective agreement results are recognised and associated statutory provisions are observed in each country. Employees and their representatives are regularly informed about important business decisions.

FAIR, PERFORMANCE-BASED REMUNERATION

The remuneration is designed to attract and retain talented, experienced and capable employees in a competitive environment. If the remuneration includes variable components and no minimum wage is required under national law or collective agreements, the fixed remuneration must be sufficiently high to prevent employees from depending too greatly on their variable remuneration. In addition to remuneration, the Group companies also offer many fringe benefits that differ from company to company, such as childcare, healthcare services and flexible working hours.



Signs of diversity

VIG continues to be included in the list of “**Diversity Leaders**” prepared by the Financial Times and Statista. The award is reserved for companies that have demonstrated outstanding achievements in the area of diversity and inclusion in the workplace.

VIG Holding was named as a “**Diversity All Star**” and has been among the top companies in the BCG Gender Diversity Index Austria for five years now.

Wiener Städtische’s “all colours” network for the LGBTQIA+ community was nominated for the **European Diversity Award** and made it to the shortlist.

Donau Versicherung has been a **Pride Biz Ally** since May 2022. The partnership with Pride Biz Austria, an association for promoting the inclusion of sexual diversity in business and the working world, allows the company to network and position itself as an attractive employer. Wiener Städtische has been a Prize Biz Ally for many years.

Diversity facts and figures

GROUP-WIDE NATIONALITIES

21 Nationalities in the managing boards

(2021: 22, 2020: 21, 2019: 21, 2018: 22, 2017: 22)

18 Nationalities in the supervisory boards

(2021: 19, 2020: 19, 2019: 19, 2018: 20, 2017: 21)

Percentage of employees and board members by gender and age group

	Supervisory Board members		Managing Board members		Management directly below the Managing Board		Employees (not including management)		Field staff		Office staff	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Male	76.9%	75.9%	74.8%	74.6%	55.4%	56.9%	35.4%	35.7%	36.2%	36.6%	36.3%	36.4%
Female	23.1%	24.1%	25.2%	25.4%	44.6%	43.1%	64.6%	64.3%	63.8%	63.4%	63.7%	63.6%
under 30	0.0%	0.0%	0.0%	0.0%	1.6%	1.4%	19.1%	17.4%	20.8%	17.2%	15.7%	16.5%
30 to 50	28.0%	27.0%	53.1%	57.7%	71.3%	68.7%	55.7%	56.7%	51.9%	53.8%	61.0%	60.9%
over 50	72.0%	73.0%	46.9%	42.3%	27.1%	29.9%	25.3%	25.8%	27.3%	29.0%	23.3%	22.6%

The key figures above provide information on the gender, nationalities and ages of the employees and board members in the fully consolidated VIG insurance companies (based on headcount). At the end of 2022 around one quarter of the managing board and supervisory

board members were women. Around 45% of the managers in the management level directly below the managing board were women. 21 different nationalities were represented in the managing boards and 18 nationalities in the supervisory boards (based on citizenship).

Although the Group operates in 30 countries, companies in two countries are not consolidated and therefore not included. The Group is represented by branch offices in another seven countries. There are no managing boards or supervisory boards there.

Total number of employees by gender and region

	Male		Female	
	2022	2021	2022	2021
Austria	3,015	3,026	2,402	2,377
Czech Republic	1,538	1,499	3,837	3,755
Poland	1,105	1,079	1,822	1,763
Extended CEE¹	3,983	3,669	8,865	8,268
Special Markets²	1,077	493	2,035	892
Group Functions³	201	198	271	262
Total⁴	10,919	9,964	19,232	17,317

The following tables provide an overview of the total number of employees by country and various categories. The increase in the number of employees is due to the new companies included in the scope. VIG continues to be a stable, reliable employer.

Total number of employees by employment contract, gender and region

	Indefinite-term contracts				Fixed-term contracts				Apprentices, trainees ⁵			
	Male		Female		Male		Female		Male		Female	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Austria	2,849	2,924	2,179	2,254	0	1	4	4	166	101	219	119
Czech Republic	1,386	1,321	3,325	3,276	152	176	510	476	0	2	2	3
Poland	971	977	1,582	1,546	134	102	240	217	0	0	0	0
Extended CEE¹	3,814	3,496	8,468	7,858	168	171	397	407	1	2	0	3
Special Markets²	1,066	486	2,018	853	8	5	11	33	3	2	6	6
Group Functions³	192	193	262	254	4	3	3	3	5	2	6	5
Total⁴	10,278	9,397	17,834	16,041	466	458	1,165	1,140	175	109	233	136

Total number of employees by employment type, gender and region

	Full-time employees				Part-time employees				Other employees ⁶			
	Male		Female		Male		Female		Male		Female	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Austria	2,847	2,858	1,598	1,592	143	132	656	630	25	36	148	155
Czech Republic	1,505	1,471	3,272	3,208	30	25	176	156	3	3	389	391
Poland	628	616	1,437	1,387	473	461	299	301	4	2	86	75
Extended CEE¹	3,479	3,181	7,553	7,142	477	476	918	834	27	12	394	292
Special Markets²	1,077	488	2,007	832	0	5	26	57	0	0	2	3
Group Functions³	187	191	200	184	14	6	51	56	0	1	20	22
Total⁴	9,723	8,805	16,067	14,345	1,137	1,105	2,126	2,034	59	54	1,039	938

¹ Extended CEE: Albania incl. Kosovo, Baltic states, Bosnia-Herzegovina, Bulgaria, Croatia, Moldova, North Macedonia, Romania, Serbia, Slovakia, Ukraine, Hungary

² Special Markets: Germany, Georgia, Liechtenstein, Türkiye

³ Group Functions: VIG Holding, VIG Re, Wiener Re

⁴ Fully consolidated insurance companies, headcount

⁵ Trainee contracts (apprentices, student trainees, trainees, etc.); excl. temporary workers

⁶ Employees on parental leave and leave of absence (parental leave, military service, etc.)

#04

SOCIETY



#Peace & solidarity

Solidarity with Ukraine

VIG management and staff are helping their Ukrainian colleagues and their families to the best of their ability.

Since the first day of the Russian attack on Ukraine, VIG has shown solidarity with the people affected. VIG itself is represented by several companies in the country: USG, Kniazha, Kniazha Life, VIG Services Ukraine and Ukrainian Assistance Service. Protecting employees and their families was the primary objective of the support measures. Immediately after the hostilities began, a team was set up to coordinate companies' relief efforts with Ukrainian colleagues. "Within the VIG family, we immediately made it clear that 'we stand with you'", said Harald Riener, VIG member of the Managing Board for Ukraine, Poland and the Baltic states.

Support in Poland ...

Help for Ukrainian colleagues came from a number of VIG companies and operated at a variety of levels. Polish company **Compensa** was very quickly able to organise

around 80 small flats and a shuttle service from the Ukrainian-Polish border. The first refugees fleeing Ukraine – mostly women and their children – arrived in Warsaw just one day after war broke out and were housed in these flats.

More than 100 people in the Polish companies **Compensa Life** and **Non-Life**, **InterRisk**, **Vienna Life** and **Wiener TU** volunteered to help refugees from Ukraine. Some offered accommodation in their own homes, while others acted as buddies to help with everyday things, be it the language, job searching or other issues. Clothing, food, sanitary items and toys were also collected and nursery school places were organised, as well as urgently needed medicine, such as medication for diabetics. A dedicated hotline from Global Assistance Poland provided assistance on legal matters, medical aid and questions re-

lating to school attendance. **Compensa** in Poland developed a four-month traineeship for Ukrainian colleagues and has already been able to offer three of them permanent employment in the company. Employees from **Vienna Life** in Poland supported the Happy Kids Foundation, which cares for more than 600 children evacuated from warzones. Other relief efforts involved arranging language lessons, for example.

... in the Czech Republic ...

Czech VIG companies **Kooperativa**, **VIG Re** and **ČPP** likewise helped with accommodation, arranging transport and various everyday necessities. **Kooperativa** hired two people to assist refugees from Ukraine with things like getting a visa or accessing translation services. Efforts subsequently turned towards making it easier for those affected to settle into their new environment – for example with language lessons, child-



© Vienna Life Polen
1



© Vienna Life Polen
2



© InterRisk Poland
3



© Kooperativa (Czech Republic)
4



© VIG
5

care, a mentoring programme or education and training courses. In recognition of its innumerable activities, Kooperativa received the “Top Responsible Company” award.

... and across the whole VIG family

In Austria, **Wiener Städtische**, **Donau Versicherung** and **VIG Holding** have made housing from their real estate portfolio available to our Ukrainian colleagues and their families. This was in addition to donations in kind. Volunteers helped with transport or arranging furniture, and with organisational or personal matters. Companies such as **Bulstrad Life** in Bulgaria, **Omniasig** in Romania or the Baltic companies **BTA Baltic**, **Compensa Life** and **Compensa Non-Life** also contributed numerous relief efforts. “I have a great deal of respect for all our employees, in so many VIG companies, who are volunteering to help and have shown great solidarity with our Ukrainian

colleagues, like families do”, says member of the VIG Managing Board Harald Riener. “Just as I am impressed by our colleagues in Ukraine, who are showing unbelievable strength in this difficult time, in spite of massive restrictions and burdens.”

VIG Family Fund

In addition to many initial aid measures, VIG management also established the VIG Family Fund. The basic endowment of EUR 5 million was increased to around EUR 7 million by other contributions from the Group companies and direct contributions from employees. The fund is intended to cover part of the medium and long-term losses due to the war and help the families of the Ukrainian companies directly affected by the war during reconstruction.

- 1 + 2 In Poland, Vienna Life organised an event for Ukrainian children from orphanages.
- 3 Employees of the Polish company InterRisk collected medicine, clothing and urgently needed items for people affected by the war in Ukraine.
- 4 Employees of the Czech company Kooperativa gave Czech lessons to their colleagues from Ukraine.
- 5 Employees of VIG Holding, Wiener Städtische and Donau Versicherung collected donations of useful articles.

Throw prejudice overboard

VIG Holding sponsors the “mirno more” sailing and peace project for disadvantaged children and youth.



Children and youth find new friends on the sailboats or during their week in the “peace fleet mirno more” project.

“mirno more” is Croatian for “peaceful sea” – and is also the name of the world’s largest social education sailing project for disadvantaged children and youth. Launched at the beginning of the Yugoslavian crisis in 1992, the peace fleet aims to throw prejudice overboard and sail towards friendship and peaceful coexistence instead. 800 people and 90 boats took part in the week of sailing off the Croatian coast in 2022. VIG Holding sponsored this peace project once again.



Notes instead of borders

The Gustav Mahler Youth Orchestra performed several times at the Salzburg Festival in 2022.

The Gustav Mahler Youth Orchestra (GMYO) in Vienna is considered the world’s leading youth orchestra. In addition to promoting young musicians, it also helps them play music with their colleagues from other countries. Since 1992, it has been open to musicians younger than 26 years of age from anywhere in Europe. The high point for the GMYO in summer 2022 was the prestigious invitation from the Salzburg Festival to participate in the opening concert and a theatrical opera production. VIG Holding has supported the orchestra for many years.

Pictures of peace

VIG Holding is one of the main partners of the Global Peace Photo Award that celebrates and promotes the goodness in people.

The events in Ukraine show the value of peaceful existence. VIG is therefore committed to enabling and maintaining peace. “People and companies both need a peaceful environment. It is the only way that people can develop freely and companies can plan for the future and do well in the long term,” says Chairwoman of the Managing Board Elisabeth Stadler. VIG Holding has been one of the main partners of the Global Peace Photo Award since 2022. It had already sponsored the special prize for the Children’s Peace Image of the Year in previous years. The international photo competition selects pictures that express the idea of peaceful coexistence. By doing so, it inspires hope and celebrates pacifism – in a world where the media presents many images of raw brutality, hate and destruction rather than empathy and caring. Exhibitions are held in public spaces to bring the message of peace to as many people as possible. VIG Holding

therefore also supported an exhibition of the peace photos in the Slovenian city of Celje in 2022, which attracted more than 140,000 visitors.

The Global Peace Photo Award was inspired by the 1911 Nobel Peace Prize winners Alfred Fried and Tobias Asser. It has been awarded since 2013 and in addition to VIG Holding also receives support from the World Press Photo Foundation, UNESCO and the Austrian Parliament. 15,000 pictures were submitted from 115 countries in 2022.



The winning photo in 2022, titled “A small yet great victory over the pandemic”, by photographer Sourav Das shows the initiative of an Indian teacher who moved his class outdoors during the Covid-19 pandemic to ensure their right to education.



The award winners with the jury, Nobel Prize winner Alexander Cherkasov and VIG CEO Elisabeth Stadler.



The GMYO helps young musicians play music together.

Applause for special commitment

The “Günter Geyer Award for Social Conscience” increased its prize money in 2022 to provide support for even more social projects by VIG companies.

Each year, Wiener Städtische Versicherungsverein presents awards to VIG companies for outstanding social commitment. Due to the many impressive submissions for the “Günter Geyer Award for Social Conscience”, the Managing Board decided to award three recognition prizes in addition to the three main prizes in 2022. The prize money is earmarked for social projects and was raised from EUR 100,000 to EUR 130,000 for the first time.

First place in the Günter Geyer Award for Social Conscience went to the Czech company **Kooperativa** for its cooperation with the non-profit organisation Nevypust’ duši, which deals with mental health. The cooperation focuses on prevention, including the topic of mental health in school lessons and educating the public. **BCR Life** in Romania received second place for, among other things, its close cooperation with the Red Cross during the coronavirus pandemic, which made it possible to establish a mobile vaccination centre in the southern part of the country. Hungarian company **UNION Biztosító** received third place for providing support for sick children and people with disabilities. The three recognition prizes went to the Slovakian **Kooperativa**, **Wiener Osiguranje** in Bosnia-Herzegovina and the North Macedonian company **Makedonija Osiguruvanje** and are intended to provide an incentive to continue following the social path they are on.

Culture of solidarity

On Social Active Day, VIG employees set a strong, cross-border example of solidarity every year.

VIG employees can use one working day each year to engage in activities that benefit the community. In 2022, 12,626 people from 20 countries, including members of the senior management team, took part in the Social Active Day. Engagement can take many forms. For example, in the reporting year, VIG CEO Elisabeth Stadler and VIG CFRO Liane Hirner emphasised their solidarity with their Ukrainian colleagues and their families who currently live in Vienna by inviting them to the Prater amusement park. Employees of **Union Biztosító** helped with garden maintenance at a recreational facility for children with serious illnesses. Volunteers from the Polish company **Compensa** collected litter in the woods south of Warsaw together with Harald Riener, the member of the VIG Managing Board responsible for Poland. Employees of **VIG Holding, Wiener Städtische** and **Donau Versicherung** once again supported causes such as the Vienna Volunteer Fair to encourage even more people to engage in voluntary work.



© VIG



© Compensa Poland



© Verein Freiwilligenmessen

12,626 people participated in the Social Active Day 2022. For example, members of the VIG Managing Board Elisabeth Stadler and Liane Hirner invited Ukrainian colleagues to the Prater amusement park in Vienna (see picture above), employees at Compensa in Poland collected litter in the woods (see central picture), and in Vienna employees helped out at the Volunteer Fair (see picture below).

Using free time meaningfully

The “Award in Recognition of Commitment to Voluntary Activities” honours the social engagement of employees in the VIG companies.

Every year since 2013, **Wiener Städtische Versicherungsverein** has awarded the “Award in Recognition of Commitment to Voluntary Activities” to VIG employees who volunteer in their free time to help others in a special way. In 2022, 38 employees from twelve countries were nominated by their colleagues and ten of them received awards. They come from Bosnia-Herzegovina, Germany, Austria, Poland,

Romania, Slovakia, the Czech Republic and Hungary. The award winners perform a wide range of voluntary activities: volunteer work in a local sports club for the blind, work for the Red Cross or volunteer fire brigade for decades, found non-profit associations to support needy or low-income families, distribute food to the homeless, single seniors and single parents and help people who fled as refugees.



© Foto/Rendering: Hertha Humaus/Dóra Maurer

Hungarian artist Dóra Maurer transformed the Ringturm into a huge work of art titled “With One Another” in the summer of 2022.

“With One Another”

Over the summer months of 2022, Hungarian artist Dóra Maurer transformed our corporate headquarter, the Ringturm building, into a huge work of art titled “With One Another”, a shining light of hope following two years of pandemic. At the initiative of Wiener Städtische Versicherungsverein, the 4,000 square metres of material from the artistic wrapping of the Ringturm was used to design creative bags. The special edition included around 500 bags handmade by employees of the socially integrative company and Vienna label “gabarage upcycling design”.

Youth encounter

The EYFON VIG YouthDays promote bridge-building across country borders.

20 teenagers between 14 and 17 years of age from Ukraine, the Czech Republic, Bulgaria, Georgia, Kosovo, Latvia, Moldova, Poland, Romania and Serbia came to Neumarkt in Styria (Austria) in the summer of 2022 to take part in the third EYFON VIG YouthDays. The one-week camp is dedicated to peace and the future development of Europe. **Wiener Städtische Versicherungsverein**, VIG’s principal shareholder, launched YouthDays as a sponsor with the support of the European Youth Forum Neumarkt (EYFON). The aim of the camp is to use international encounters to build bridges across country borders. Children of VIG employees submitted videos, collages, poems or essays on the topic of “What peace means to me” to the competition and those whose submissions were selected as especially creative were able to attend the camp. The highly varied programme included, for example, workshops, discussion groups and many group leisure activities.



© EYFON

20 youth from ten countries met for the EYFON VIG YouthDays in Neumarkt in Styria.



Material topic:
Demographic change

Why the topic is important

Demographic change is putting Europe’s social systems under pressure. The products offered by insurance companies can help to reduce this pressure and to eliminate the risk of gaps in future provisions for pensions, health care and nursing care. Awareness-raising activities can also be used to draw society’s attention to these gaps.

Opportunities

Demographic change offers insurance companies an opportunity, but also the social obligation, based on our purpose in society, to expand our existing range of products and services, develop needs-appropriate solutions and provide broad access to future provisions and risk protection.

Risks

Gaps in pension and healthcare provisions

Due diligence processes and measures

Developing a healthcare ecosystem is one of the initiatives in the VIG 25 strategic programme.

Responsibility

The local Group companies are responsible for designing products and services that meet the needs of their local customers. This also applies to adjusting products for demographic change.

Goals

Developing a healthcare ecosystem

Successes

VIG increased premiums by 12.4% in the health insurance line of business in 2022.

Demographic change

Help for carers

**Wiener Städtische is a partner company of “Alles Clara”.
The app offers support for relatives providing nursing care.**

Around one million people in Austria are taking care of family members or other related persons who need nursing care or have chronic illnesses or disabilities. This can often be very challenging and cause distress. Support is provided by the new “Alles Clara” app, which receives support from **Wiener Städtische Versicherungsverein** and the Austrian **Wiener Städtische**, among others. Professional counsellors with many years of experience in different fields – such as nursing care or psychology – are available through the app. The app answers ques-

tions via chat or telephone and provides support for relatives providing nursing care. Since autumn 2022, employees of the Austrian **VIG** companies and other partner companies have been able to test the app, which is still in the pilot phase, and provide feedback.

The project partners are happy about the start of pilot operation of the “Alles Clara” support app for relatives providing nursing care.



© Erste-Stiftung

Demographic change

Ageing with dignity

Wiener Städtische is working to ensure that the elderly receive care.

Demographic change and a lack of specialised nursing care personnel are making it increasingly challenging to grow old with dignity. **Wiener Städtische**, for example, supports the Caritas nursing care campaign. It is also a partner of the Caritas psychosocial counselling service for relatives providing nursing care. Providing nursing care for family members can be extremely demanding, both physically and mentally. The counselling service helps with problems and questions, offers discussion groups and also visits the home of the caring relative on request. Last but not least, Wiener Städtische has also supported the large care organisations Volkshilfe and Hilfswerk in Austria for many years, thereby making a major contribution to the provision of domestic nursing care services and the learning and development of their skilled personnel.

Demographic change

Increased security

VIG is helping to eliminate the risk of gaps in future provisions for pensions, health care and nursing care.

Life expectancy is rising in many countries, causing an increase in the percentage of elderly people in the population. It also leads to an increase in chronic illnesses. This demographic change and its consequences are increasing the financial pressure on European pension, healthcare and nursing care systems. Private insurance companies can help eliminate the risk of gaps in future provisions. **VIG** companies are therefore further developing their range of retirement provision and health insurance products, thereby supplementing government provision systems. Private life insurance, for example, is the only financial product that guarantees a lifelong pension. Examples of other products and services, such as those in the area of health-care, are provided on pages 38 and 40.

6.6%

The share of the Group's total premium volume contributed by health insurance lines.

31.5%

The share contributed by life insurance lines.

#05

ENVIRONMENT



Climate change

Office environment

Climate change

Protection against climate risks

Global warming is generating more adverse weather events and natural disasters. VIG is developing measures to reduce the risk for its customers.



PHYSICAL RISKS

The physical risks of climate change are the direct consequences of changes to the climate, for example an increase in the average global temperature or increase in the frequency of natural disasters and extreme weather events, such as floods, hot spells, drought, storms and hail.

TRANSITION RISKS

Transition risks arise from the transition to a resilient climate-neutral economy and society, for example changes to political and legal frameworks in the real economy (e.g. introduction of a carbon tax), technological developments (e.g. renewable energies, energy storage) and changes in consumer behaviour, and can therefore cause the value of assets to decline.

VIG has always been concerned with protecting its customers against losses due to natural risks. This expertise is becoming even more important due to global warming. VIG has greatly expanded its expertise in this area in recent years. It has performed special scenario analyses since 2019 to estimate how climate change will affect losses and, therefore, the insurance business. The medium and long-term effects of climate change are also examined in the "Own Risk and Solvency Assessment" (ORSA), a periodic analysis of a company's own risk situation and capital adequacy (solvency). The analyses of the consequences of global warming consider both transition risks, which are mainly assessed qualitatively, and physical risks, which are also subject to detailed quantitative analyses (see information box to the left and the table on page 64).

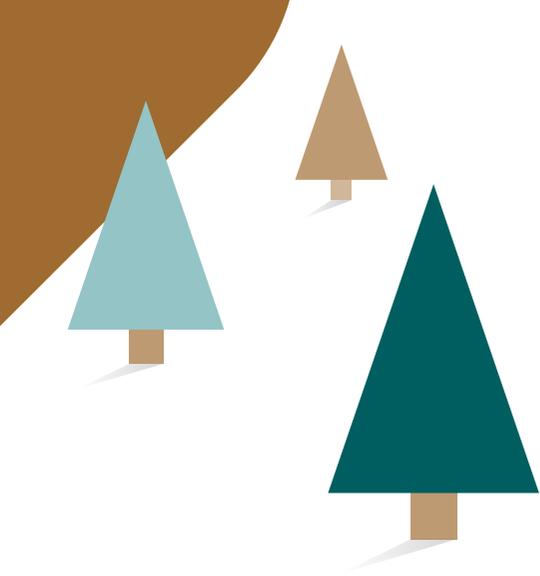
Current scientific studies are used to analyse the possible effects of global warming of 1.5°C, 2.0°C and 3.0°C above pre-

industrial levels in all of the countries that are essential for VIG. Natural disasters and their effects are modelled with the help of external experts. The risk models used are constantly improved based on new data, facts and findings, such as newly built flood protection measures.

The scenario analyses show that, based on VIG's activities, flooding in particular is a significant risk. In addition to increased losses due to flooding, stronger hail storms and summer storms are also expected to lead to claims. While stronger hail storms also affect the motor own damage line of business, flood losses primarily affect the other property and casualty lines of business. VIG is using its increased underwriting knowledge to purchase reinsurance for the risks it assumes, among other things.

Recommendations for reducing risk

The increased probability of extreme weather events also affects the support



Material topic:
#Climate change

Why the topic is important

Climate change has an effect on insurance companies. At the same time, VIG can make an indirect positive or negative contribution through, for example, its investments. The Company can also help its customers and other stakeholders to better deal with the consequences of climate change. The insurance companies can also reduce the carbon footprint of their own office operations.

Opportunities

Contributing to the adaptations to climate change, indirect positive contribution to climate protection, expansion of the insurance business

Risks

Increase in extreme weather events, lack of insurance for innovative sectors, greenwashing, legal risks related to a rapidly changing regulatory environment

Due diligence processes and measures

A withdrawal from the coal sector in the corporate and large customer business was approved in 2019. In addition, corporate customers and private customers are also helped to prevent losses due to natural disasters. Standardised risk management processes are regularly used to analyse the effects of possible natural disaster scenarios, such as storms, hail, flooding and earthquakes. The CO₂ emissions generated by the Group's own office operations are measured annually.

Guiding principles/guidelines

Climate change strategy (www.vig.com/climate-change-strategy), underwriting guideline, asset management guideline

Responsibility

Adjusting the business model for climate change has an effect on a variety of business areas, including, for example, Asset Management (see pages 22–28), Underwriting, Reinsurance and Risk Management.

Goals

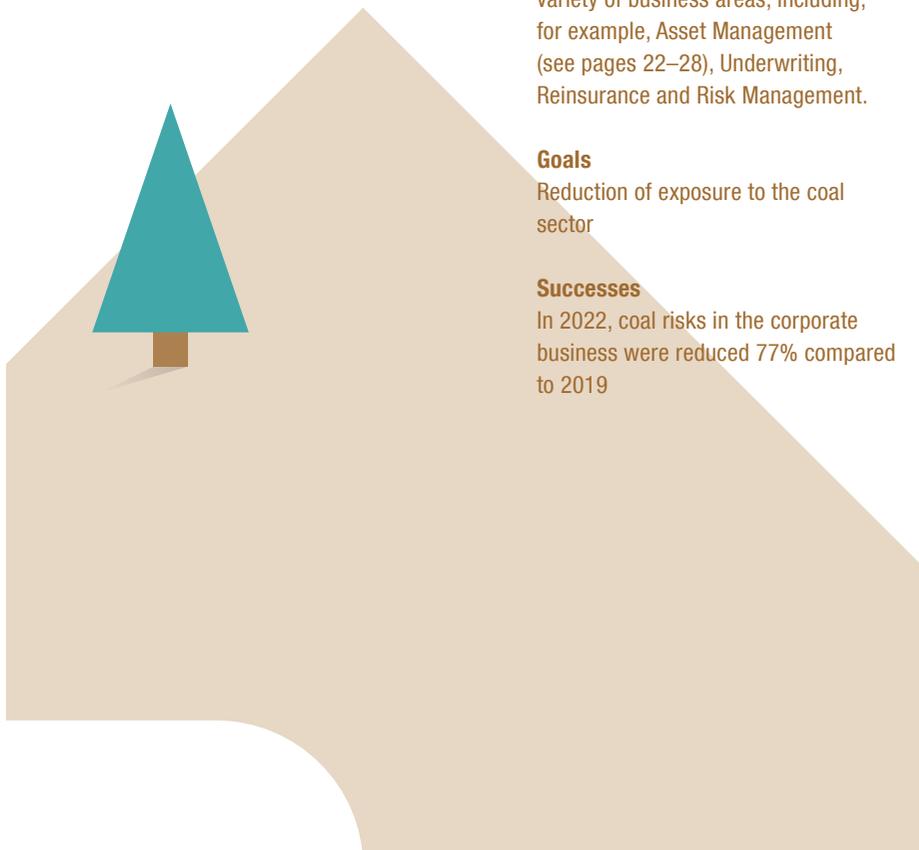
Reduction of exposure to the coal sector

Successes

In 2022, coal risks in the corporate business were reduced 77% compared to 2019

provided to corporate and large customers. The support process begins with a careful analysis of the natural risk situation by the VIG partner company Risk Consult. In addition to using the best possible natural risk models, local circumstances are also taken into account and the risks are contrasted with the protective measures already taken. The experts at Risk Consult use this to develop individually tailored recommendations for further improving the risk situation and preventing losses. The policy terms are based on this risk situation and in some cases insurance can only be purchased once proposed measures have been implemented.

As a result of global warming and the requirements of the EU Taxonomy Regulation, preventing losses due to natural risks is playing an increasingly important role in the underwriting process. Risk Consult analyses more than 2,000 operating sites for VIG each year, thereby contributing >



PHYSICAL RISKS OF CLIMATE CHANGE

The following table shows which natural risks are relevant to VIG and, from a scientific point of view, which are influenced by climate change.

Natural risk	Relevant for climate change	Part of the VIG analysis	Background
Flooding	✓	✓	Science is expecting this risk to increase. The flood disaster "Bernd" that led to unexpectedly large losses in Germany in 2021 was a harbinger of climate change.
Earthquakes	✗	✗	There are no relevant scientific findings that predict an increase in earthquake risk due to climate change.
Winter storms	⚡	✓	Scientific results concerning European winter storms are highly varied, especially with respect to the territorial effects (risk is expected to increase in some countries and decrease in others).
Hail and summer storms	✓	✓	As with flooding, science also expects this natural risk to increase. The events in 2021 (hail storm Volker in Austria and tornado in the Czech Republic) show that weather events are also becoming more extreme.
Snow loading	✓	✗	Global warming is expected to decrease snowfall and therefore reduce losses due to snow loading. In order to take a conservative approach, VIG did not include this in its analysis.
Drought and forest fires	✓	✗	Drought and forest fires play a secondary role due to VIG's geographical focus on the CEE region. Thought has, however, already been given to a possible modelling of this risk.

>

significantly to making the economy more resilient to natural risks.

Information and expertise for customers

VIG companies help corporate clients and households to increase their resilience in different ways. **Wiener Städtische**, for example, offers early warning systems, such as its "Wetter plus" app, which uses push notifications to send warnings if there is a danger of extreme weather events at certain locations. This enables customers to prepare in good time for storms, heavy rain, heavy snowfall, thunderstorms, hail or black ice.

Czech company **Kooperativa** launched a pilot project in 2022 that provides support to municipalities that have purchased a policy from Kooperativa. Landscape experts are commissioned to carry out a study to identify location-specific risks of flooding and potential risk prevention measures. If the community implements these measures, Kooperativa offers discounts on premiums. The "Prevention programme for a resilient landscape" was included in the final round of the top five company projects in the "SDG Awards", which give prizes for sustainability projects in the Czech Republic.



Early warning systems provide warnings of extreme weather events. In this way, the VIG companies help households and companies to manage climate risks better.

#Climate change

Withdrawal from coal

As part of its climate change strategy, VIG has committed to not issuing new policies to companies in the coal sector.

Insurance companies influence the risks that companies can assume, and VIG is making use of this leverage. VIG's decision to withdraw from the coal sector was already part of its climate change strategy in 2019 (the strategy also affects investments, see pages 22–28). No new policies are being issued for coal mining or coal-fired power plant projects. Existing policies in this area are being gradually reduced. In 2022, coal risks in the corporate business were reduced by 77% compared to 2019.

In 2022, coal risks in the corporate business were reduced by

77%

compared to 2019.

Key figures under the EU Taxonomy Regulation for non-life insurance

As explained in the core business section on page 22, certain companies have to report the degree to which they are sustainable based on the EU taxonomy for sustainable economic activities. In addition to the share of “green” investments, the share of “green” non-life insurance premiums must also be published. Non-life insurers can therefore make a significant contribution to the adaptation to climate change. A simplified presentation will be published for the financial years 2021 and 2022 (similar to investments). For the time being, the taxonomy-eligible share of non-life insurance premiums (not the taxonomy-aligned share yet) will be disclosed (see also the explanatory notes on page 24).

According to Annex II of the Delegated Regulation supplementing the Taxonomy Regulation (Regulation (EU) 2020/852), eight of a total of twelve non-life insurance lines of business are taxonomy-eligible in principle under Solvency II (based on Annex I of Delegated Regulation (EU) 2015/35). These are medical expense insurance, income protection insurance, workers’ compensation insurance, motor vehicle liability insurance, other motor insurance, marine, aviation and transport insurance, fire and other damage to property insurance, and assistance services. In addition, in a questionnaire concerning key figures to be disclosed that was published by the European Commission in December 2021, it was stated that the only insurance lines of business that should be classified as taxonomy-eligible are those that also include coverage for climate risks as defined in Appendix A

of the Annex II mentioned above. The VIG insurance companies currently only evaluate climate risks in the form of natural disaster coverage. The natural disaster risks that are relevant under Solvency II are flooding, earthquakes, storms and hail. Since earthquakes are not included in Appendix A, they are not taken into account in this evaluation. Coverage for the remaining natural risks exists in the following three insurance lines of business: other motor insurance, marine, aviation and transport insurance, and fire and other property insurance. The percentage of these three insurance lines of business relative to total non-life insurance premiums written is therefore the taxonomy-eligible share of premiums that must be disclosed. It is 54.9% for the reporting year. The percentage of non-taxonomy-eligible premiums relative to total non-life insurance premiums written is 45.1%. The explanatory notes for the premiums include both direct premiums written and assumed reinsurance. The percentage of taxonomy-eligible premiums from assumed

reinsurance relative to total premiums from assumed reinsurance is 75.3% for the reporting year. The percentage of non-taxonomy-eligible premiums from assumed reinsurance relative to total premiums from assumed reinsurance is 24.7%.

A voluntary calculation was also performed in addition to the required disclosures, as very different interpretations of the definition of the percentage of taxonomy-eligible premiums exist. The strict interpretation, which includes classification in one of the eight insurance lines of business as well as coverage of climate risks, was used to calculate the key figures above. A more moderate interpretation includes classification in the eight insurance lines of business, but does not take climate risks into account. Therefore, the percentage of premiums in the eight insurance lines of business listed in Annex II of the Delegated Regulation supplementing the Taxonomy Regulation (Regulation (EU) 2020/852) relative to total non-life insurance premiums written was also calculated at this point. It is 88.9%.

Required reporting of the percentage of taxonomy-eligible premiums

	2022	2021
Percentage of taxonomy-eligible premiums relative to total non-life insurance premiums	54.9%	54.4%
Percentage of non-taxonomy-eligible premiums relative to total non-life insurance premiums	45.1%	45.6%
Percentage of taxonomy-eligible premiums from assumed reinsurance relative to total premiums from assumed reinsurance	75.3%	75.6%
Percentage of non-taxonomy-eligible premiums from assumed reinsurance relative to total premiums from assumed reinsurance	24.7%	24.4%

Focus on energy efficiency

VIG companies are increasing their efforts to use electricity and heat more sparingly and to encourage eco-friendly mobility. Some VIG companies are also focusing on photovoltaics.

In the reporting year, VIG companies worked together with their employees to renew their efforts to use energy more efficiently. Projects to self-produce electricity were also accelerated. For example, the Austrian companies **Wiener Städtische**, **Donau Versicherung** and **VIG Holding** are currently installing or planning to install a total of nine photovoltaic systems on their buildings. A photovoltaic system on the roof of the Linz site of Wiener Städtische and Donau Versicherung generates more than 70,000 kilowatt hours of clean electricity a year. This means that a third of the electricity needed is self-produced, saving 35 tonnes of CO₂ each year. The planned installation of three small wind turbines at Vienna's Ringturm building is also a particular highlight. **Bulstrad Non-Life** in Bulgaria and **Kooperativa** in the Czech Republic likewise operate photovoltaic systems or are in the process of installing them. German company **InterRisk** generates around a quarter of the electricity it requires from its own photovoltaic system.

Lots of ideas for saving energy

The most environmentally friendly kilowatt hour is one that is not used. The commitment and creativity of employees plays an important role in this regard. For example, **Wiener Städtische** launched an internal company ideas competition to find potential ways of increasing energy efficiency and using resources more sparingly in general. Wiener Städtische included all entrants in a raffle for great prizes, including a folding bike as the main prize. In addition to a continuous conversion to LEDs, the Austrian companies have together developed a comprehensive energy-saving concept that includes reducing lighting at branch offices, in particular Christmas lights. Furthermore, the temperature in the offices is being lowered by as much as two degrees, enabling energy consumption to be reduced by up

to 12%. In addition to using environmentally friendly photovoltaic systems, heating is also being converted to lower-emission systems such as district heating wherever possible.

Other companies have likewise developed campaigns to work with employees to reduce consumption of energy and resources. For example, all employees at **Omniasig** in Romania regularly receive emails that provide detailed information about the electricity consumption of various devices and offer tips on how to reduce this consumption. Additionally, stickers bearing simple and easily comprehensible recommendations for reducing consumption of energy and other resources such as water can be found in all offices at the Romanian company.

“Green Office” certificate

In addition to an environmental management system with ISO14001:2015 certification, **BTA Baltic** has also had the “Green Office” certification from WWF since 2021. This means that it is committed to comprehensive measures. Internal communication plays a significant role in raising awareness of environmentally friendly conduct and making employees change their habits – ideally not only in the office, but at home as well. The electricity consumption of the air conditioning system was able to be markedly reduced by implementing measures such as automatic shut-off devices. Staff at BTA Baltic also comply with sustainable criteria when it comes to procurement. Every month a “Green Office” committee meets to evaluate and improve office processes on an ongoing basis.

Modern heating and cooling

Companies such as **Union Biztosító** in Hungary, **Kooperativa** in the Czech Republic and **Komunálna** in Slovakia have modernised their heating and cooling systems or improved the insulation of their buildings in



A photovoltaic system generates environmentally friendly electricity on the roof of the Linz location of Wiener Städtische and Donau Versicherung.

order to increase energy efficiency. The Polish company **Wiener TU** has installed heat pumps to make its heating supply more environmentally friendly. Companies like **Wiener Städtische** in Austria, **InterRisk** in Germany and **Kooperativa** in Slovakia have optimised temperature control at their premises. For example, the room temperature is gradually reduced during the course of the day and is reduced even further at night and over weekends.

Environmentally friendly mobility

The VIG companies also take advantage of many opportunities to reduce CO₂ in the area of mobility. E-mobility is being promoted, for example, by purchasing electric vehicles for the vehicle fleets. **Wiener Städtische**, **Donau Versicherung** and **VIG Holding** began planning or building around 40 electric charging stations at their locations in 2022. A number of companies support their employees in switching to environmentally friendly means of transport, such as public transport or bicycles (also see page 49).

New life for old computers

VIG cooperates with the non-profit IT service provider AfB to make a contribution to resource conservation and the circular economy.



VIG has worked with the non-profit IT service provider AfB for many years to extend the life of IT equipment, conserve resources and support people with disabilities. The Austrian companies Wiener Städtische, Donau Versicherung, VIG Holding and the IT subsidiary twinformatics gave 1,585 used devices with a total weight of 6.1 tonnes to AfB in 2022. 62% of the devices could be sold and reused after data destruction, hardware tests, repairs, upgrading and cleaning. As a result of this cooperation,

two jobs for people with disabilities could be offered during the reporting period. 143,805 kilograms of greenhouse gases (CO₂ equivalents), 32,456 kilograms of raw materials such as metal and minerals (iron equivalents), 539,698 kilowatt-hours of electricity and 1.1 million litres of water were saved, compared to the production of new equipment. VIG companies and AfB make an important contribution to resource conservation and the circular economy through reprocessing and reuse.

KEY ENVIRONMENTAL FIGURES

The following table shows information on electricity consumption, heating use and kilometres of air travel since 2019. Electricity consumption recorded a slight increase compared to the previous year (+3.7%). This was mainly due to additional insurance companies in Hungary and Türkiye being included in the scope of reporting. Heating use decreased by 7.0%. This was partly due to a smaller number of heating degree days in some countries compared to 2021 and cost-cutting measures in response to higher energy prices in 2022. Although the kilometres of air travel increased sharply compared to the previous year, it is still below the level in 2019. The recent increase occurred because the travel restrictions imposed during the coronavirus pandemic were lifted. Some business trips that could only take place virtually in the previous two years took place in person again in 2022. The table also shows the carbon footprint. It is shown both as a total figure and broken down by emissions in Scope 1 (heating energy and fuel consumption), Scope 2 (electricity, district cooling and district heating consumption) and

Scope 3 (business flights). The increase in Scope 1 was caused by higher fuel consumption compared to 2021, which was lower in the previous year due to the pandemic. To satisfy the reporting standards, total energy consumption in megajoules (MJ) was also reported for the first time this year.

Changes to the kilometres of air travel in 2021

The kilometres of air travel shown for 2021 has been corrected from 1,100,121 km to 1,660,305 km in this report based on an update from one of the insurance

companies. This also led to a recalculation of Scope 3 emissions (business flights), which are now shown at 179 tonnes of CO₂ equivalents (originally 119 tonnes of CO₂ equivalents). The total carbon footprint for 2021 increased by 0.2% as a result.

Fuel consumption within the organisation (Scope 1)

During the reporting period, total fuel consumption within the organisation was 236,445,464 MJ from non-renewable sources (oil, gas, diesel and petrol) and 83,675 MJ from renewable sources (biomass).

Explanatory notes for Scope 3 emissions

Scope 3 emissions are indirect emissions generated in a company's value chain. The Scope 3 categories (based on the Greenhouse Gas Protocol) that are relevant may differ depending on the economic activity. For VIG, the Scope 3 emissions from its investment and underwriting portfolio are material. VIG therefore began a process to measure these emissions.

Key figure	2022 ¹	2021	2020	2019
Electricity use in kWh	32,585,266	31,406,102	31,226,191	37,714,981
Heating use in kWh	46,723,815	50,236,170	48,633,949	49,172,287
Kilometres of air travel	5,737,750	1,660,305	1,175,961	8,618,909
Corporate carbon footprint in tonnes of CO ₂ equivalents	30,293	28,525	28,652	35,859
Scope 1 (direct emissions) in tonnes of CO ₂ equivalents	15,149	14,210	13,512	16,213
Scope 2 (indirect emissions) in tonnes of CO ₂ equivalents	14,471	14,136	15,022	18,714
Scope 3 (air travel) in tonnes of CO ₂ equivalents	673	179	118	932
Total energy consumption in megajoules	420,752,426			

¹ Including two additional, newly consolidated insurance companies, with estimated values for one company included in the calculation. Due to a methodology update, higher emission factors were used for district heating (Scope 2).

Significant events after 31 December 2022

Earthquake in south-eastern Türkiye and parts of Syria

An earthquake of magnitude 7.8 on the Richter scale occurred in the early morning hours of 6 February 2023, accompanied by numerous aftershocks of up to 7.5 on the Richter scale in subsequent hours. Overall, the earthquakes affected a region with a radius of around 400 kilometres, including the cities of Gaziantep, Adana, Antakya, Kahramanmaraş, Malatya, Kilis, Osmaniye, Diyarbakır, Adıyaman and Şanlıurfa in Türkiye, and Aleppo, Idlib, Homs and Hama in Syria. Several thousand buildings collapsed, causing thousands of injuries and tens of thousands of deaths. Small tsunami waves were observed on the east coast of Cyprus as a result of the earthquakes, but did not cause any damage, and a tsunami warning was issued in Italy.

VIG offers insurance coverage in this region, primarily through its insurance company Ray Sigorta in Türkiye, which mainly focuses on the less affected western part of Türkiye. The insurance penetration for the affected area in Türkiye is lower than in the western part of the country and residential buildings are covered by the state TCIP pool. According to preliminary estimates, the Group is expecting a gross loss of approximately EUR 100.0 million (before reinsurance). Currently, net loss cannot be estimated, but VIG has concluded reinsurance programmes for natural disasters.

After this catastrophe became known, the Managing Board of VIG Holding decided to donate EUR 1 million in emergency aid to the Red Cross for the victims of the earthquake. In addition to this amount, a further EUR 500,000 was provided to each of the aid funds set up by the two local VIG companies, with the aim of supporting the affected employees and their families.

Information about this report

This report covers the Group-wide activities of Vienna Insurance Group in the area of sustainability. Unless indicated otherwise, the key non-financial figures that are presented refer to VIG's consolidated insurance companies. The scope is therefore not completely identical to the Group Annual Report. Alignment with the scope of consolidation in the Group Annual Report is planned for the reporting year 2024.

Sustainability Reports have been prepared each year starting in 2017. The financial year 2022 is the reporting period for this report. Activities taking place in different time periods are indicated separately.

VIG has reported in accordance with the Global Reporting Initiative (GRI) Standards for the period from 1 January 2022 to 31 December 2022.

The Sustainability Report mainly provides information on social and environmental matters. Please see the 2022 Group Annual Report for additional information on the Company profile, business development, corporate governance and an overview of the Group companies (www.annual-report.vig/2022). Many of the company names mentioned in this report have been shortened (see list of abbreviations on page 82).

This report includes forward-looking statements based on current assumptions and estimates that were made by the management of VIG Holding to the best of its knowledge. Disclosures using the words "expected", "target" or similar formulations are an indication of such forward-looking statements. Forecasts related to the future development of the Company are estimates made on the basis of information available as of the date this report went to press. Actual results may differ from the forecasts if the assumptions underlying the forecast prove to be wrong or if unexpectedly large risks occur.

The report was prepared with great care to ensure that all information is complete and accurate. The possibility of rounding, type-setting or printing errors, however, cannot be ruled out completely.

The key employee figures on pages 47–55 refer to the fully consolidated VIG insurance companies. The total number of employees (averages based on full-time equivalents) used to calculate training hours is therefore not the

same as the number (also averages based on full-time equivalents) on page 6 of this report.

Information on key environmental figures

The Group's corporate carbon footprint was calculated based on the Greenhouse Gas Protocol Corporate Standard on the basis of the available data. The calculated greenhouse gas emissions, presented in CO₂ equivalents (taking into account all Kyoto gases, including NF3), include the emissions created directly at the Company (heating energy and fuel consumption – "Scope 1") and indirectly by the Company (electricity, district cooling and district heating consumption – "Scope 2"). The emissions due to employee business flights are also included ("Scope 3"). The most recent emission factors from the International Energy Agency (IEA) were used for electricity consumption in the current financial year (2022). In addition to the IEA emission factors (due to the lack of local emission factors for Group country Liechtenstein, those for Switzerland were used), factors from the Austrian Environmental Agency (updated 2021) and ecoinvent (version 3.9.1) were also used to calculate emissions. When calculating district heating emissions (Scope 2), a methodology update was applied as well as newly available country-specific data from a study from the EU Publication Office and from the German Automotive Industry Association (Verband der Automobilindustrie – VDA), both for 2022. Where available, country-specific residual mix data from the Association of Issuing Bodies (AIB) was used for unknown energy sources with respect to electricity generation. Scope 2 emissions were calculated using the location-based method (in accordance with the GHG Protocol Corporate Standard). The fully consolidated insurance companies were included in the calculation of greenhouse gas emissions.

Feedback

We would be pleased to receive feedback on this Sustainability Report and invite all stakeholders to send us their comments.

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In case of doubt, the German version is authoritative.

GRI content index

Disclosure	Page references or reference to another document	Additional notes and omissions
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GRI 2: General Disclosures (2021 standard)

1. The organisation and its reporting practices

	The organisation shall:		
2-1 Organisational details	a. report its legal name		
	b. report its nature of ownership and legal form	pages 6–7, General Information	
	c. report the location of its headquarters		
	d. report its countries of operation		
2-2 Entities included in the organization's sustainability reporting	a. list all its entities included in its sustainability reporting	page 82	
	b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting	page 69	
	c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including:		The former Aegon insurance companies in Hungary and Türkiye that were acquired by VIg were included in the scope of the report for this reporting period.
	i. whether the approach involves adjustments to information for minority interests	page 69, see notes	
	ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities		
	iii. whether and how the approach differs across the disclosures in this Standard and across material topics		
2-3 Reporting period, frequency and contact point	a. specify the reporting period for, and the frequency of, its sustainability reporting	page 69	
	b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this	see notes	The reporting period for the Sustainability Report is the same as the reporting period for the Group Annual Report.
	c. report the publication date of the report or reported information	see notes	The publication date is 19 April 2023.
	d. specify the contact point for questions about the report or reported information	page 69	
2-4 Restatements of information	a. report restatements of information made from previous reporting periods and explain:		
	i. the reasons for the restatements	page 67	
	ii. the effect of the restatements		
2-5 External assurance	a. describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved		
	b. if the organization's sustainability reporting has been externally assured:		
	i. provide a link or reference to the external assurance report(s) or assurance statement(s)	pages 84–85	
	ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process		
	iii. describe the relationship between the organization and the assurance provider		

Disclosure	Page references or reference to another document	Additional notes and omissions
2. Activities and workers		
2-6 Activities, value chain, and other business relationships	<p>a. report the sector(s) in which it is active</p> <hr/> <p>b. describe its value chain, including:</p> <p>i. the organization's activities, products, services, and markets served</p> <hr/> <p>ii. the organization's supply chain</p> <hr/> <p>iii. the entities downstream from the organization and their activities</p>	<p>pages 6–7; Group Annual Report 2022 (starting on page 35, www.annual-report.vig/2022), see notes</p> <hr/> <p>VIG is a service provider. The most important suppliers include: reinsurance companies, IT providers and various advisory firms (incl. PR and marketing).</p>
	<p>c. report other relevant business relationships</p>	<p>pages 6–8, 35</p>
	<p>d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period</p>	<p>see notes</p> <hr/> <p>There were no significant changes compared to the previous period.</p>
2-7 Employees	<p>a. report the total number of employees, and a breakdown of this total by gender and by region</p> <hr/> <p>b. report the total number of:</p> <p>i. permanent employees, and a breakdown by gender and by region</p> <hr/> <p>ii. temporary employees, and a breakdown by gender and by region</p> <hr/> <p>iii. non-guaranteed hours employees, and a breakdown by gender and by region</p>	<p>Fixed-term contracts are only used in certain situations, such as parental leave replacements or for projects. There are no seasonal employees. In Poland, many employees work part-time for insurance companies and part-time for non-insurance companies at the same time. From the point of view of the insurance companies, they are part-time employees. The number of workers who are not salaried employees is insignificant. The data is requested from the local companies.</p> <hr/> <p>Reason for omission: Information unavailable/incomplete This information has not been part of the annual survey to date and is therefore not available. The survey will be adjusted during preparations for the new ESRS so the information will probably be provided for the first time in the 2024 report.</p>
	<p>iv. full-time employees, and a breakdown by gender and by region</p>	<p>page 55, see notes</p>
	<p>v. part-time employees, and a breakdown by gender and by region</p>	
	<p>c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:</p>	
	<p>i. in head count, full-time equivalent (FTE), or using another methodology</p>	
	<p>ii. at the end of the reporting period, as an average across the reporting period, or using another methodology</p>	
	<p>d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b</p>	
	<p>e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods</p>	

Disclosure	Page references or reference to another document	Additional notes and omissions
2-8 Workers who are not employees	<p>a. report the total number of workers who are not employees and whose work is controlled by the organization and describe:</p> <p>i. the most common types of worker and their contractual relationship with the organization</p> <p>ii. the type of work they perform</p> <p>b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported:</p> <p>i. in head count, full-time equivalent (FTE), or using another methodology</p> <p>ii. at the end of the reporting period, as an average across the reporting period, or using another methodology</p> <p>c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods</p>	<p>see notes</p> <p>The number of workers who are not employees was 422 based on a headcount as of 31.12.2022. The data is requested from the local companies. The number increased compared to 2021 because two companies were added to the scope of reporting. Depending on the country in question, the workers work in different areas such as claims processing, administrative support, sales and cleaning.</p>
3. Governance		
2-9 Governance structure and composition	<p>a. describe its governance structure, including committees of the highest governance body</p> <p>b. list the committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people</p> <p>c. describe the composition of the highest governance body and its committees by:</p> <p>i. executive and non-executive members</p> <p>ii. independence</p> <p>iii. tenure of members on the governance body</p> <p>iv. number of other significant positions and commitments held by each member, and the nature of the commitments</p> <p>v. gender</p> <p>vi. under-represented social groups</p> <p>vii. competencies relevant to the impacts of the organization</p> <p>viii. stakeholder representation</p>	<p>Corporate Governance Report 2022 (pages 16–28, www.annual-report.vig/2022)</p> <p>page 34; Corporate Governance Report 2022 (pages 26–28, www.annual-report.vig/2022)</p> <p>page 54; Corporate Governance Report 2022 (pages 17–30, www.annual-report.vig/2022); documents for the Annual General Meeting 2022 (www.vig.com/annual-general-meeting); see notes</p> <p>In addition to the provisions of the Austrian Stock Corporation Act (§ 87 AktG) and rules of the Austrian Corporate Governance Code, the provisions of the Austrian Insurance Supervision Act (Versicherungsaufsichtsgesetz – VAG) relating to the supervisory board of an insurance company are also observed when nominations are made.</p>
2-10 Nomination and selection of the highest governance body	<p>a. describe the nomination and selection processes for the highest governance body and its committees</p> <p>b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration:</p> <p>i. views of stakeholders (including shareholders)</p> <p>ii. diversity</p> <p>iii. independence</p> <p>iv. competencies relevant to the impacts of the organization</p>	<p>Corporate Governance Report 2022 (pages 17–30, www.annual-report.vig/2022); documents for the Annual General Meeting 2022 (www.vig.com/annual-general-meeting); see notes</p> <p>In addition to the provisions of the Austrian Stock Corporation Act (§ 87 AktG) and rules of the Austrian Corporate Governance Code, the provisions of the Austrian Insurance Supervision Act (Versicherungsaufsichtsgesetz – VAG) relating to the supervisory board of an insurance company are also observed when nominations are made.</p>
2-11 Chair of the highest governance body	<p>a. report whether the chair of the highest governance body is also a senior executive in the organization</p> <p>b. if the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated</p>	<p>see notes</p> <p>Reason for omission: Not applicable. This disclosure is not applicable as this is not permitted under the Austrian Stock Corporation Act.</p>

Disclosure	Page references or reference to another document	Additional notes and omissions
2-12 Role of the highest governance body in overseeing the management of impacts	<p>a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development</p> <p>b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including:</p> <p>i. whether and how the highest governance body engages with stakeholders to support these processes</p> <p>ii. how the highest governance body considers the outcomes of these processes</p> <p>c. describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review</p>	<p>page 34; Corporate Governance Report 2022 (pages 24–28, www.annual-report.vig/2022)</p>
2-13 Delegation of responsibility for managing impacts	<p>a. describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including:</p> <p>i. whether it has appointed any senior executives with responsibility for the management of impacts</p> <p>ii. whether it has delegated responsibility for the management of impacts to other employees</p> <p>b. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people</p>	<p>pages 14, 34; Corporate Governance Report 2022 (pages 24–28, www.annual-report.vig/2022)</p>
2-14 Role of the highest governance body in sustainability reporting	<p>a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information</p> <p>b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this</p>	<p>page 34</p> <p>see notes</p> <p>Reason for omission: Not applicable</p>
2-15 Conflicts of interest	<p>a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated</p> <p>b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to:</p> <p>i. cross-board membership</p> <p>ii. cross-shareholding with suppliers and other stakeholders</p> <p>iii. existence of controlling shareholders</p> <p>iv. related parties, their relationships, transactions, and outstanding balances</p>	<p>page 33; Remuneration Policy (pages 7, 20, www.vig.com/remuneration-policy)</p> <p>Corporate Governance Report 2022 (pages 23–24, www.annual-report.vig/2022)</p> <p>see notes</p> <p>page 6</p> <p>Group Annual Report 2022 (pages 177–180, www.annual-report.vig/2022)</p>
2-16 Communication of critical concerns	<p>a. describe whether and how critical concerns are communicated to the highest governance body</p> <p>b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period</p>	<p>Corporate Governance Report 2022 (pages 24–26, www.annual-report.vig/2022)</p>

Disclosure	Page references or reference to another document	Additional notes and omissions	
2-17 Collective knowledge of the highest governance body	a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development	pages 34, 47	
2-18 Evaluation of the performance of the highest governance body	<p>a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people</p> <p>b. report whether the evaluations are independent or not, and the frequency of the evaluations</p> <p>c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices</p>	Corporate Governance Report 2022 (page 24, www.annual-report.vig.com/vig/2022)	
2-19 Remuneration policies	<p>a. describe the remuneration policies for members of the highest governance body and senior executives, including:</p> <p>i. fixed pay and variable pay</p> <p>ii. sign-on bonuses or recruitment incentive payments</p> <p>iii. termination payments</p> <p>iv. clawbacks</p> <p>v. retirement benefits</p> <p>b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people</p>	<p>Remuneration policy (pages 5–21, www.vig.com/remuneration-policy)</p> <p>see notes</p> <p>Remuneration policy (pages 8–16, www.vig.com/remuneration-policy)</p>	<p>Reason for omission: Not applicable. This disclosure is not applicable, as VIG Holding does not provide bonuses of this type.</p> <p>Reason for omission for the Supervisory Board: Not applicable. This disclosure is not applicable as the Supervisory Board does not receive this form of remuneration.</p>
2-20 Process to determine remuneration	<p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <p>i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration</p> <p>ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration</p> <p>iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives</p> <p>b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable</p>	<p>Remuneration policy (pages 5–6, 20–21, www.vig.com/remuneration-policy); voting results for the 29th Annual General Meeting of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe on 25 September 2020. Agenda item 8: Resolution on the remuneration policy. (www.vig.com/voting-results-agm-2020), see notes</p>	<p>During the preparation of the remuneration policy, various information events by the interest group for Investor Relations and law firms were attended and an intensive exchange took place with VIG Holding Investor Relations, which also monitored developments in Austria closely and reported to the Supervisory Board and HR. A direct exchange also took place with other companies included in the ATX.</p>
2-21 Annual total compensation ratio	<p>a. report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)</p> <p>b. report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)</p> <p>c. report contextual information necessary to understand the data and how the data has been compiled</p>	see notes	<p>Reason for omission: Information incomplete To date, this information is not available with sufficient quality for the whole Group. To calculate the median, the income for each employee must be centrally available. This involves more than 30,000 data points that are decentrally located in the HR systems of the individual insurance companies and have so far not been part of the annual HR survey. The survey will be adjusted for the 2024 report as part of the preparations for the new ESRS.</p>

Disclosure	Page references or reference to another document	Additional notes and omissions
4. Strategy, policies and practices		
2-22 Statement on sustainable development strategy	a. report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development	pages 3, 20–21
2-23 Policy commitments	<p>a. describe its policy commitments for responsible business conduct, including:</p> <ul style="list-style-type: none"> i. the authoritative intergovernmental instruments that the commitments reference ii. whether the commitments stipulate conducting due diligence iii. whether the commitments stipulate applying the precautionary principle iv. whether the commitments stipulate respecting human rights <p>b. describe its specific policy commitment to respect human rights, including:</p> <ul style="list-style-type: none"> i. the internationally recognized human rights that the commitment covers ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment <p>c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this</p> <p>d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level</p> <p>e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships</p> <p>f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties</p>	pages 10, 27, 29–35, 81
2-24 Embedding policy commitments	<p>a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including:</p> <ul style="list-style-type: none"> i. how it allocates responsibility to implement the commitments across different levels within the organization ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures iii. how it implements its commitments with and through its business relationships iv. training that the organization provides on implementing the commitments 	<p>page 33, see notes</p> <p>General commitments based on the Code of Business Ethics are specified at appropriate points in governance documents.</p>

Disclosure	Page references or reference to another document	Additional notes and omissions
2-25 Processes to remediate negative impacts	<p>a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to</p> <p>b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in</p> <p>c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to</p> <p>d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms</p> <p>e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback</p>	<p>Group Annual Report (www.annual-report.vig/2021/service-information/contacts.html); see notes</p> <p>page 41</p> <p>page 41; Group Annual Report (www.annual-report.vig/2021/service-information/contacts.html); see notes</p> <p>page 41, see notes</p> <p>pages 30, 41</p> <p>We provide various stakeholder groups ways to contact us and raise their concerns. These are handled by the employees responsible depending on the topic.</p> <p>The processes depend on the topic and stakeholder group concerned.</p> <p>VIG is a decentralised company and the Group companies have a great deal of decision-making leeway to respond to local stakeholder interests.</p>
2-26 Mechanisms for seeking advice and raising concerns	<p>a. describe the mechanisms for individuals to:</p> <p>i. seek advice on implementing the organization's policies and practices for responsible business conduct</p> <p>ii. raise concerns about the organization's business conduct</p>	<p>page 34</p>
2-27 Compliance with laws and regulations	<p>a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by:</p> <p>i. instances for which fines were incurred</p> <p>ii. instances for which non-monetary sanctions were incurred</p> <p>b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by:</p> <p>i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period</p> <p>ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods</p> <p>c. describe the significant instances of non-compliance</p> <p>d. describe how it has determined significant instances of non-compliance</p>	<p>see notes</p> <p>see notes</p> <p>see notes</p> <p>see notes</p> <p>see notes</p> <p>There were no incidents in 2022 that met the internal definition of materiality (see item d)) below.</p> <p>Reason for omission: Information incomplete To date, this information (concerning all violations, regardless of the materiality threshold) is not available with sufficient quality. The survey will be adjusted where necessary for the 2024 report as part of the preparations for the new ESRS.</p> <p>There were no incidents in 2022 that met the internal definition of materiality (see item d)) below.</p> <p>Based on the internal definition, material incidents are those that occurred during the reporting period and satisfy certain qualitative or quantitative criteria:</p> <ul style="list-style-type: none"> • Qualitative: Violations of corruption or antitrust law • Quantitative: The loss incurred by the Group company concerned exceeds EUR 100,000.
2-28 Membership associations	<p>a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role</p>	<p>see notes</p> <p>We actively contribute to the work of a number of insurance trade associations (Austrian Association of Insurance Companies (VVO), Insurance Europe, Chief Risk Officer Forum) and general industry trade associations (Austrian Federal Economic Chamber, Federation of Austrian Industries). VIG Holding discloses relevant memberships in the European Transparency Register (see https://ec.europa.eu/transparencyregister). Chairwoman of the Managing Board Elisabeth Stadler is a member of the Geneva Association, a leading global think tank in the insurance industry. As a member of the IRSG (Insurance and Reinsurance Stakeholder Group) Managing Board Member Liane Hirner represents the interests of the insurance industry when taking part in decisions by the European Insurance and Occupational Pensions Authority (EIOPA) for planned regulations and measures on insurance matters. VIG does not make political contributions (donations and/or sponsorship payments to political parties or persons related to them).</p>

Disclosure	Page references or reference to another document	Additional notes and omissions
5. Stakeholder engagement		
2-29 Approach to stakeholder engagement	a. describe its approach to engaging with stakeholders, including:	Identifying and selecting stakeholders: The stakeholder groups invited to take part in the online stakeholder survey were chosen during a workshop with internal VIG Holding experts. All of the stakeholder groups were listed during an initial brainstorming session. The stakeholders were then arranged in a stakeholder matrix in order to better understand the influence that the stakeholders have on the Company and how big an impact the Company has on the individual stakeholder groups.
	pages 8–9, 33–34, 42–43, see notes	Approach to stakeholder engagement: An online stakeholder survey was performed in financial year 2021 as part of the update of the materiality analysis. Internal stakeholders (employees, management) and external stakeholders (large customers, distributors, investors, analysts, political stakeholders, NGOs, experts, media and suppliers) were surveyed online on material topics. An overview of the various forms of stakeholder communication is provided on page 8 of the report. The frequency of communication varies greatly depending on the stakeholder group and communication channel concerned. VIG Holding, for example, has a so-called "VIG Talk" for employees. This meeting takes place between employees and managers each year and consists of a "Target Talk" (focusing on mutual feedback and work priorities and objectives) and "Talent Talk" (focusing on the VIG Talent Toolset and a discussion of personal and professional development).
		i. the categories of stakeholders it engages with, and how they are identified
		ii. the purpose of the stakeholder engagement
		iii. how the organization seeks to ensure meaningful engagement with stakeholders
2-30 Collective bargaining agreements	a. report the percentage of total employees covered by collective bargaining agreements	52.5% of the employees of the fully consolidated insurance companies were covered by explicit collective agreements in 2022. The employees that are not covered work in companies in which collective agreements are not applicable due to national circumstances. These countries, for example, have qualification-based minimum wages or internal company pay scales.
	b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations	page 53, see notes

GRI 3: Material topics (2021 standard)

3-1 Process to determine material topics	a. describe the process it has followed to determine its material topics, including:	The following five topics were rated particularly important in the online stakeholder survey performed in 2021: customer orientation, product innovation, comprehensibility of products, data protection and security, and training and education. In addition, both customers and investors rated climate change, environmental and social investment criteria, and responsible corporate governance as highly important. Investors also rated products with social and environmental effects, and data protection and security as highly important topics, and employees rated life balance and health promotion as very important.
	i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships	
	ii. how it has prioritized the impacts for reporting based on their significance	pages 8–9; 23, 29, 37, 42, 45, 60, 63, see notes
	b. specify the stakeholders and experts whose views have informed the process of determining its material topics	In May 2019, VIG published a coal strategy in coordination with an NGO in the environmental area that included specific objectives for both the Asset Management and Underwriting departments in connection with the withdrawal from the coal sector.

Disclosure		Page references or reference to another document	Additional notes and omissions
3-2 List of material topics	a. list its material topics b. report changes to the list of material topics compared to the previous reporting period	page 9, see notes	No changes were made to the material topics in the reporting year 2022.

Environmental and social investment criteria

3-3 Management of material topics	a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships c. describe its policies or commitments regarding the material topic d. describe actions taken to manage the topic and related impacts, including: i. actions to prevent or mitigate potential negative impacts ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation iii. actions to manage actual and potential positive impacts e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions ii. goals, targets, and indicators used to evaluate progress iii. the effectiveness of the actions, including progress toward the goals and targets iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures	pages 22–28	
G4 Financial services sector disclosures	FS 11 Percentage of assets subject to positive and negative environmental or social screening	see notes	Corporate bonds and equities were screened for the coal exclusion criterion during the reporting period. The share of total investments that currently do not satisfy our criteria was 1.2% as of 31.12.2022 (31.12.2021: 1.5%). The coal exposure based on market values decreased by 23.7% compared to the previous year.

Demographic change

3-3 Management of material topics		page 60, see notes	The impacts occur outside the organisation and customers are mainly affected.
Own indicator: share of total premium volume contributed by life and health insurance		page 61	

Climate change

3-3 Management of material topics		page 63	
GRI 302 Energy	302-1 Energy consumption within the organization	page 67	
	302-2 Energy consumption outside of the organization		Reason for omission: Information currently not available
	302-3 Energy intensity	see notes	To date, this information is not available with sufficient quality. The survey will be adjusted for the 2024 report as part of the preparations for the new ESRS.
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services	see notes	Reason for omission: Not applicable The provision of our service is not energy intensive.

Disclosure	Page references or reference to another document	Additional notes and omissions	
GRI 305 Emissions	305-1 Direct (Scope 1) GHG emissions	page 67	
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity	see notes	Reason for omission: Information incomplete The survey will be adjusted for the 2024 report as part of the preparations for the new ESRS.
	305-5 Reduction of GHG emissions		
	305-6 Emissions of ozone-depleting substances (ODS)	see notes	Reason for omission: Not applicable Not relevant for insurance companies.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		

Product innovation

3-3 Management of material topics	page 37	
Own indicator: internal digitalisation level	pages 36–37, see notes	The digital self-assessment which the insurance companies performed in the past was replaced by the Digital Execution Scorecard in 2022. It uses digital performance indicators to help track the progress achieved in implementing digital strategies. 33 companies introduced the Digital Execution Scorecard during the reporting period.

Customer orientation

3-3 Management of material topics	page 37	
Own indicator	page 39, see notes	Reason for omission: This information is currently unavailable A customer experience centre of competence was established in January 2023. One of the objectives of the centre of competence is to define uniform parameters and tools for measuring and improving customer satisfaction. The survey will be adjusted for the 2024 report as part of the preparations for the new ESRS.

Comprehensibility of products

3-3 Management of material topics	pages 37, 41, see notes	The topic of financial literacy is included in the VIG 25 strategic programme. Policies are not yet available.
Own indicator	page 39, see notes	Reason for omission: This information is currently unavailable A customer experience centre of competence was established in January 2023. One of the objectives of the centre of competence is to define uniform parameters and tools for measuring and improving customer satisfaction. The survey will be adjusted for the 2024 report as part of the preparations for the new ESRS.

Data protection and security

3-3 Management of material topics	page 42	
418 Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	page 43

Disclosure		Page references or reference to another document	Additional notes and omissions
Training and education			
3-3 Management of material topics		page 45, see notes	If employees have questions or suggestions with respect to learning and development, they can direct them to their supervisors or human resources manager. The topic can also be discussed during the annual employee review. Furthermore, in Austria, for example, employees have the opportunity to provide feedback after taking advanced training. Since the Group companies are responsible for the design and organisation of learning and development programmes, they can adjust them to meet the needs of their local employees.
404 Training and education	404-1 Average hours of training per year per employee	page 47	
	404-2 Programs for upgrading employee skills and transition assistance programs	pages 44–47, 49–51, see notes	Transition assistance programmes are structured differently in the Group companies due to different national circumstances. Many companies offer coaching and health programmes as part of the Group-wide focus on "life balance".
	404-3 Percentage of employees receiving regular performance and career development reviews	see notes	Structured employee reviews are offered at least once a year in 93.0% of the fully consolidated VIG insurance companies, representing 96.8% of the employees.
Responsible corporate governance/compliance			
3-3 Management of material topics		page 29	
205 Anti-corruption	205-1 Operations assessed for risks related to corruption	page 31, see notes	All insurance companies have assessed and monitored risks related to corruption as part of the compliance risk analysis. No significant risks relating to corruption were identified.
	205-2 Communication and training about anti-corruption policies and procedures	page 31, see notes	Each year during a Supervisory Board meeting, the Managing Board provides comprehensive information to the Supervisory Board on the measures taken to combat corruption in the company. Reason for omission of information that was not provided: Information incomplete To date, this information is not available with sufficient quality. The survey will be adjusted where necessary for the 2024 report as part of the preparations for the new ESRS.
	205-3 Confirmed incidents of corruption and actions taken	page 30	
206 Anti-competitive behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	see notes	Six proceedings were pending in the reporting period. <ul style="list-style-type: none"> • In one proceeding, the competition authority imposed a fine on a Group company; the company has appealed the decision. • In one proceeding, the competent court decided in favour of the Group company concerned during the appeal proceedings. The written copy of the decision, including the statement of reasons, is not yet available. • In three proceedings, the competition authority imposed a fine on each of the Group companies concerned. The written copies of the decisions, including the statement of reasons, are not yet available. • One proceeding was still pending during the reporting period. The competent court of the last resort provided a final decision in 2023. The company concerned paid the penalty, which was equivalent to around EUR 77,500.

The 10 principles of the UN Global Compact

VIG is committed to the 10 principles of the UN Global Compact. The table below shows the sections of this report that deal with these principles.

No.	Principles	Section	Page
Human rights			
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Sustainability strategy	14
2	Businesses should make sure that they are not complicit in human rights abuses.	Core business	33–34
		Employees	53
Labour			
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.		
4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	Employees	53
5	Businesses should uphold the effective abolition of child labour.		
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Sustainability strategy	16
		Core business	33–34
		Employees	52–55
Environment			
7	Businesses should support a precautionary approach to environmental challenges.	VIG 25	12–13
		Sustainability strategy	17
8	Businesses should undertake initiatives to promote greater environmental responsibility.	VIG 25	12–13
		Sustainability strategy	17
		Environment	62–67
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Core business	26
		Customers	40
		Environment	66–67
Anti-corruption			
10	Businesses should work against corruption in all its forms, including extortion and bribery.	Sustainability strategy	14
		Core business	30–34

List of abbreviations

Full company name, registered office	Country	Abbreviations
AEGON Magyarország Általános Biztosító Zártkörűen Működő Részvénytársaság, Budapest	Hungary	Aegon Insurance (Hungary)
Asigurarea Românească - ASIROM Vienna Insurance Group S.A., Bucharest	Romania	Asirom
BCR Asigurări de Viață Vienna Insurance Group S.A., Bucharest	Romania	BCR Life
BTA Baltic Insurance Company AAS, Riga	Latvia	BTA Baltic
"BULSTRAD LIFE VIENNA INSURANCE GROUP" JOINT STOCK COMPANY, Sofia	Bulgaria	Bulstrad Life
Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, Prague	Czech Republic	ČPP
Compania de Asigurări "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni, Chișinău	Moldova	Donaris
Compensa Life Vienna Insurance Group SE, Tallinn	Estonia	Compensa Life (Estonia)
Compensa Towarzystwo Ubezpieczeń Na Życie S.A. Vienna Insurance Group, Warsaw	Poland	Compensa Life (Poland)
Compensa Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group, Warsaw	Poland	Compensa Non-Life (Poland)
"Compensa Vienna Insurance Group", ADB, Vilnius	Lithuania	Compensa Non-Life (Lithuania)
DONAU Versicherung AG Vienna Insurance Group, Vienna	Austria	Donau Versicherung
Insurance Company Vienna osiguranje d.d., Vienna Insurance Group, Sarajevo	Bosnia-Herzegovina	Vienna osiguranje (Bosnia Herzegovina)
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD, Sofia	Bulgaria	Bulstrad Non-Life
InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden	Germany	InterRisk Life
InterRisk Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group, Warsaw	Poland	InterRisk
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	Germany	InterRisk Non-Life
INTERSIG VIENNA INSURANCE GROUP Sh.A., Tirana	Albania	Intersig
Joint Stock Company Insurance Company GPI Holding, Tbilisi	Georgia	GPIH
Joint Stock Company International Insurance Company IRAO, Tbilisi	Georgia	IRAO
Joint Stock Insurance Company WINNER-Vienna Insurance Group, Skopje	North Macedonia	Winner Non-Life
KOMUNÁLNA poisťovňa, a.s. Vienna Insurance Group, Bratislava	Slovakia	Komunálna
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group, Bratislava	Slovakia	Kooperativa (Slovakia)
Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague	Czech Republic	Kooperativa (Czech Republic)
OMNIASIG VIENNA INSURANCE GROUP S.A., Bucharest	Romania	Omniasig
PRIVATE JOINT-STOCK COMPANY "INSURANCE COMPANY "KNIAZHA LIFE VIENNA INSURANCE GROUP", Kyiv	Ukraine	Kniazha Life
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNIAZHA VIENNA INSURANCE GROUP", Kyiv	Ukraine	Kniazha
Private Joint-Stock Company "Insurance Company "USG", Kyiv	Ukraine	USG
Ray Sigorta A.Ş., Istanbul	Türkiye	Ray Sigorta
Sigma InterAlbanian Vienna Insurance Group Sh.a, Tirana	Albania	Sigma InterAlbanian
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje - Vienna Insurance Group, Skopje	North Macedonia	Makedonija Osiguruvanje
UNION Vienna Insurance Group Biztosító Zrt., Budapest	Hungary	Union Biztosító
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna	Austria	VIG Holding
VIENNALIFE EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ, Istanbul	Türkiye	Viennalife (Türkiye)
Vienna-Life Lebensversicherung AG Vienna Insurance Group, Barend	Liechtenstein	Vienna-Life (Liechtenstein)
Vienna Life Towarzystwo Ubezpieczeń na Życie S.A. Vienna Insurance Group, Warsaw	Poland	Vienna Life (Poland)
VIG RE zajišťovna, a.s., Prague	Czech Republic	VIG Re
Wiener Osiguranje Vienna Insurance Group ad, Banja Luka	Bosnia-Herzegovina	Wiener Osiguranje (Bosnia Herzegovina)
Wiener osiguranje Vienna Insurance Group dioničko društvo za osiguranje, Zagreb	Croatia	Wiener Osiguranje (Croatia)
WIENER RE akcionarsko društvo za reosiguranje, Belgrade	Serbia	Wiener Re
WIENER STÄDTISCHE OSIGURANJE akcionarsko društvo za osiguranje, Belgrade	Serbia	Wiener Städtische Osiguranje (Serbia)
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group, Vienna	Austria	Wiener Städtische
WIENER TOWARZYSTWO UBEZPIECZEŃ SPÓŁKA AKCYJNA VIENNA INSURANCE GROUP, Warsaw	Poland	Wiener TU

The name Vienna Insurance Group or VIG is used when referring to the Group.

Declaration by the Managing Board

This consolidated non-financial report for the financial year 2022 was approved for publication on 20 March 2023.

Vienna, 20 March 2023



Elisabeth Stadler
General Manager, CEO,
Chairwoman of the
Managing Board

Areas of responsibility:
Management of the VIG Group,
Strategy, Bancassurance and
International Partnerships,
Communication & Marketing,
European Affairs and ESG,
General Secretariat and Legal,
Human Resources, Internal Audit,
Sponsoring, Subsidiaries and
M&A, Central Functions
Country responsibilities:
Germany



Hartwig Löger
Deputy General Manager,
Deputy Chairman of the
Managing Board

Areas of responsibility:
Planning and Controlling,
Strategy and Development
Country responsibilities:
Austria, Slovakia, Czech
Republic, Hungary



Liane Hirner
CFRO, Member of the
Managing Board

Areas of responsibility:
Asset Risk Management,
Digitalisation, Finance and Risk,
Enterprise Risk Management,
Finance Department, Investor
Relations
Country responsibilities:
Liechtenstein



Peter Höfinger
Member of the Managing
Board

Areas of responsibility:
Corporate Business,
Reinsurance
Country responsibilities:
Albania, Bosnia-Herzegovina,
Bulgaria, Kosovo, Croatia,
Moldova, Montenegro, North
Macedonia, Romania, Serbia



Gerhard Lahner
COO, Member of the
Managing Board

Areas of responsibility:
Asset Management (incl. Real
Estate), Holding IT, Process-
& Project Management,
Treasury incl. Asset Liability
Management, VIG Corporate IT
Country responsibilities:
Georgia



Gábor Lehel
CIO, Member of the
Managing Board

Areas of responsibility:
Innovation
Country responsibilities:
Belarus



Harald Riener
Member of the
Managing Board

Areas of responsibility:
Assistance, Customer
Experience, Tool Box Sales
Country responsibilities:
Estonia, Latvia, Lithuania,
Poland, Ukraine



Peter Thirring
CTO, Member of the
Managing Board

Areas of responsibility:
Actuarial Department, Active
Reinsurance, Anti-Money
Laundering, Compliance,
Insurance Life/Non-Life Retail
Country responsibilities:
Türkiye



To the Managing Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna

This English language independent assurance report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation nor for any errors or misunderstandings that may derive from the translation.

Independent Assurance Report on the Non-financial Reporting according to § 267a UGB

We have performed an independent limited assurance engagement on the combined consolidated non-financial report according to § 267a UGB (“NFI report”) for the financial year 2022, which has been published as Nachhaltigkeitsbericht 2022 of

**VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe,
Vienna**

(referred to as “VIG” or “the Company”).

Conclusion

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFI report of the Company is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the provisions of Article 8 of the Regulation (EU) 2020/852 as amended and the supplementing delegated Regulation (EU) 2021/2178 (hereafter “EU Taxonomy Regulation”) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option “in accordance with” in all material respects.

Management’s Responsibility

The Company’s management is responsible for the proper preparation of the NFI report in accordance with the reporting criteria. The Company applies the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a

UGB) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option “in accordance with” as reporting criteria. In addition, the company prepares disclosures in accordance with the EU Taxonomy Regulation, which are published as part of the sustainability reporting.

The Company’s management is responsible for the selection and application of appropriate methods for non-financial reporting (especially the selection of significant matters) as well as the use of appropriate assumptions and estimates for individual non-financial disclosures, given the circumstances. Furthermore, their responsibilities include the design, implementation and maintenance of systems, processes and internal controls that are relevant for the preparation of the sustainability report in a way that is free of material misstatements – whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to state whether, based on our procedures performed and the evidence we have obtained, anything has come to our attention that causes us to believe that the Company’s NFI report is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the legal requirements of the EU Taxonomy Regulation and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option “in accordance with” in all material respects.

Our engagement was conducted in conformity with the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require us to comply with our professional requirements including independence requirements, and to plan and perform the engagement to enable

us to express a conclusion with limited assurance, taking into account materiality.

An independent assurance engagement with the purpose of expressing a conclusion with limited assurance (“limited assurance engagement”) is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance (“reasonable assurance engagement”), thus providing reduced assurance. Despite diligent engagement planning and execution, it cannot be ruled out that material misstatements, illegal acts or irregularities within the non-financial report will remain undetected.

The procedures selected depend on the auditor’s judgment and included the following procedures in particular:

- Inquiries of personnel at the group level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting thresholds of the Company;
- A risk assessment, including a media analysis, on relevant information on the Company’s sustainability performance in the reporting period;
- Evaluation of the design and implementation of the systems and processes for the collection, processing and monitoring of disclosures on environmental, social and employees matters, respect for human rights, anti-corruption as well as bribery including the consolidation of data;
- Inquiries of personnel at the group level, who are responsible for providing, consolidating and implementing internal control procedures relating to the disclosure of concepts, risks, due diligence processes, results and performance indicators;
- Inspection of selected internal and external documents, in order to determine whether qualitative and quantitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the processes for local data collection, validation and reporting, as well as the reliability of the reported data through a (remotely conducted) survey performed on a sample basis at a site or a subsidiary;
- Analytical evaluation of the data and trend of quantitative disclosures regarding the GRI Standards listed in the GRI-Index, submitted by all locations for consolidation at the group level;
- Evaluation of the consistency of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the EU Taxonomy Regulation and the GRI Standards in the current version, Option “in accordance with” to disclosures and indicators of the NFI report, which apply to the Company;
- Evaluation of the overall presentation of the disclosures by critically reading the NFI report.

The procedures that we performed do not constitute an audit or a review. Our engagement did not focus on revealing and clarifying of illegal acts (such as

fraud), nor did it focus on assessing the effectiveness and efficiency of management. Furthermore, it is not part of our engagement to audit future-related disclosures, prior year figures, statements from external sources of information, expert opinions or references to more extensive external reporting formats of the Company.

Restriction on use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third party, and consequently, we shall not be liable for any third party claims. We agree to the publication of our assurance certificate and NFI report. However, publication may only be performed in its entirety and as a version has been certified by us.

General Conditions of Contract

Our responsibility and liability towards the Company and any third party is subject to paragraph 7 of the General Conditions of Contract for the Public Accounting Professions.

Vienna, 20th March 2023
KPMG Alpen-Treuhand GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

Mag. Thomas Smrekar
Wirtschaftsprüfer
(Austrian Chartered Accountant)

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Sustainability Report 2022

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