Consolidated non-financial report

CONTENTS

GENERAL INFORMATION

PREAMBLE

All material topics of VIG's sustainability activities are reported in the consolidated non-financial report or sustainability statement as part of the Group management report, in accordance with both the currently applicable Austrian Sustainability and Diversity Improvement Act (NaDiVeG, EU Directive 2014/95) and the Corporate Sustainability Reporting Directive (CSRD, EU Directive 2022/2464). This covers all sustainability matters in accordance with NaDiVeG and § 267a of the Austrian Commercial Code (UGB), which reflect the material sustainability matters of the CSRD. These topics will be addressed in the consolidated non-financial report, regardless of the reporting standard used, provided that they are necessary for an understanding of the impacts of the activity. They are described in the chapters ESRS E1 "Climate change" for environmental matters in accordance with NaDiVeG; ESRS S1 "Own workforce" for employee matters in accordance with NaDiVeG; ESRS S1 and ESRS S4 "Consumers and end-users" for respect for human rights in accordance with NaDiVeG and ESRS G1 "Business conduct" for combating corruption and bribery in accordance with NaDiVeG.

At the time of reporting, the CSRD has not yet been transposed into Austrian law. Therefore, the consolidated non-financial report is being prepared on a voluntary basis in accordance with the EU requirements of the CSRD and the European Sustainability Reporting Standards published in this context. VIG discloses all material information on sustainability-related impacts, risks and opportunities in accordance with the applicable European Sustainability Reporting Standards (ESRS) under the CSRD.

The report was voluntarily prepared in accordance with Article 29a of the EU Accounting Directive (EU Directive 2013/34) in accordance with the ESRS and the EU Taxonomy. The scope of consolidation of the consolidated non-financial report is the same as that of the IFRS consolidated financial statements (with the exception of reported data on the internal operations of the three insurance companies in Ukraine). Companies that make use of the group exemption on the basis of the consolidated sustainability reporting are listed in BP-1 "General basis for preparation of consolidated non-financial report".

On 26 February 2025, the European Commission announced a simplification of sustainability reporting aimed at reducing the administrative burden. The specific impact on the consolidated non-financial report of VIG cannot yet be estimated at the current time of reporting.

Categories of ESRS Standards
The ESRS are divided into different categories of standards: two cross-cutting standards (ESRS 1 "General requirements" and ESRS 2 "General disclosures") and three topical standards Environmental, Social and Governance (responsible business conduct), which in turn comprise ten ESRS sub-topic standards E1 to E5, S1 to S4 and G1.

The consolidated non-financial report has been prepared and is presented in accordance with the general requirements of ESRS 1. In accordance with the requirements of ESRS 2, VIG fulfils the disclosure requirements of all material sustainability matters of governance, strategy, management of impacts, risks and opportunities, as well as metrics and targets (see reporting areas). In addition, VIG discloses sustainability information in accordance with the topical standards. In accordance with ESRS 1, topics whose impacts, risks and opportunities have been rated as "not material" for both VIG and sustainability matters are not taken into account.

COMPANY-SPECIFIC DISCLOSURES

VIG also discloses company-specific information that was identified during the double materiality assessment at the Group level.

Reporting areas
The disclosure requirements are divided into the following reporting areas:

- Governance (GOV): governance processes, controls and procedures for monitoring, managing and overseeing impacts, risks and opportunities;

- Strategy and business model (SBM): the interaction of the strategy and the business model with the material impacts, risks and opportunities, including how they are addressed;
- Impact, risk and opportunity management (IRO): processes for identifying the impacts, risks and opportunities, assessing their materiality and taking appropriate action to address them;
- Metrics and targets (MT): metrics and defined targets and progress towards achieving targets.

Double materiality as the basis for the non-financial report

The principle of double materiality is of fundamental importance for the consolidated non-financial report. On this basis, the report aims to give readers an understanding of two key perspectives: on the one hand, the impact of VIG's business activities on sustainability matters (inside-out perspective; impact materiality) and, on the other hand, how sustainability matters can affect VIG's financial position (outside-in perspective; financial materiality). The double materiality assessment thus forms the basis of the consolidated non-financial report. Further details are provided in chapter IRO-1 "Description of the process to identify and assess material impacts, risks and opportunities".

ESRS 2 – GENERAL DISCLOSURES

Basis for preparation

The following disclosure requirements were applied in the preparation of the consolidated non-financial report:

DISCLOSURE REQUIREMENT BP-1 – GENERAL BASIS FOR PREPARATION OF CONSOLIDATED NON-FINANCIAL REPORT

Scope of consolidation of the sustainability statement

The ESRS reporting is prepared by VIG Holding for VIG (fully consolidated companies) for the reporting period from 1 January 2024 to 31 December 2024. A sustainability statement has therefore been prepared on a consolidated basis. The principles of consolidation have been harmonised between the financial and sustainability reporting and applied consistently.

The scope of consolidation of the CSRD sustainability statement therefore corresponds to that of the consolidated financial statements prepared in accordance with IFRS, with the exception of reported data on the internal operations of the three insurance companies in Ukraine. Details of these three insurance companies can be found in the chapter "The war in Ukraine" (see page 167). However, these three companies were included in the calculation and reporting of Scope 3.15 emissions in the same way as the other companies. More information on the scope of consolidation and the consolidation method is provided in the consolidated financial statements in chapter "21. Affiliated companies and participations" on page 246 and chapter "20. Business combinations" on page 245.

In determining the ESRS scope of consolidation according to the nature and scope of the inclusion of associated companies, no undertakings over which VIG has operational control were identified among the non-consolidated companies in the financial reporting pursuant to IFRS. Greenhouse gas emissions from at equity companies were recognised on a pro rata basis and included in Scope 3.15 in accordance with the respective ownership interests.

The following table shows the companies for which the group exemption from preparation of a separate sustainability report is being utilised locally for the 2024 financial year.

Company	Country
Alfa	Hungary
Asirom	Romania
BTA Baltic	Latvia
Compensa Life	Poland
Compensa Non-Life	Lithuania
Compensa Non-Life	Poland
ČPP	Czech Republic
Donau Versicherung	Austria
InterRisk	Poland
Komunálna	Slovakia
Kooperativa	Czech Republic
Kooperativa	Slovakia
Omniasig	Romania
Union Biztosító	Hungary
Wiener Osiguranie	Croatia
Wiener Städtische	Austria

Coverage of the value chain

The term "value chain" encompasses the activities of internal operations, underwriting and asset management. Both upstream and downstream activities are included. Further information on the value chain can be found in chapter ESRS 2 SBM-1 "Strategy, business model and value chain". The Vienna Insurance Group value chain was taken into account in the identification of material impacts, risks and opportunities in accordance with this categorisation.

Classified and sensitive information, and information on intellectual property, know-how or results of innovation

No specific information was excluded with regard to intellectual property, know-how or the results of innovations.

DISCLOSURE REQUIREMENT BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Time horizons

The following time horizons have been defined by VIG in the sustainability reporting:

- for the short-term time horizon: a reporting period of up to two years
- for the medium-term time horizon: from the end of the short-term reporting period up to five years
- for the long-term time horizon: more than five years

The time horizons are based on the general risk management approach.

Value chain estimation

The following section describes the approaches for calculating emissions data for internal operations, underwriting (corporate and retail) and asset management, including the real estate portfolio.

Estimates in internal operations

Estimates were made in the reporting year for the environmental metrics in internal operations where detailed consumption data were not available. A uniform approach was developed for this. If data on the energy consumption of individual companies were not available or not available in full, an extrapolation was carried out to enable the datapoints and greenhouse gas emissions to be calculated on a consolidated basis. The net usable area of the respective company, among other things, was used for this extrapolation of the energy metrics. This figure was multiplied by a median value (e.g. median of the reported electricity consumption per square metre multiplied by the reported net usable area of the company). The approach used therefore provides a consistent and reliable basis for the extrapolations and should thus ensure that the consumption data are estimated as realistically as possible.

In addition, consumption data from some companies were only available quarterly. If a company was not able to provide all energy metrics for 2024 in detail as of January 2025, extrapolations were made based on the existing monthly figures from the previous year. In these isolated cases, therefore, a higher degree of measurement uncertainty may exist.

The aim is to integrate the Ukrainian data for the year 2025, depending on the war situation.

Value chain estimation in underwriting

For corporate underwriting, emissions have been calculated in accordance with the Partnership for Carbon Accounting Financials (PCAF) Standard, Part C, using the "economic activity-based emissions estimate". This calculation is based on average emissions data for the respective industry. The total absolute emissions of the policyholders in the insurance portfolio were calculated by assigning the insurance contracts to the average economic emission intensities of the policyholders' underlying industry. The policyholders' revenue figures were often not recorded in the underwriting system and therefore had to be estimated. The average cost of risk (i.e. the average written premiums of policyholders in the sector in relation to the revenue generated by policyholders with their company) was used to convert the premiums written under the insurance contracts into an estimate of the insured revenue (representative of the share of the total insurance). The insurance contracts were then mapped to industry averages using NACE codes of varying granularity. The NACE code is the classification of economic activities in the European Union (the term “NACE” derives from the French title “Nomenclature statistique des activités économiques dans la Communauté européenne”). This estimate reflects the share of absolute emissions of policyholders that are covered by the insurance contracts. The insurance-associated emissions were calculated by dividing the total absolute emissions by the average cost of risk of the underlying sector to obtain the insured revenue in that industry. This figure was then multiplied by the average emission intensity (tCO_2e/revenue) of this sector in order to obtain the estimated emissions. Alternatively, the premiums written under an insurance contract can be divided by the cost of risk and then multiplied by the average energy intensity of the respective sector. The emissions data for underwriting (corporate) were calculated in the reporting year with a reporting date of 31 October 2024. This difference in reporting date has no material impact in terms of data quality, since at that time the vast majority of the relevant data was already available and the remaining two months did not cause any significant changes in the portfolio. Since average values were used to calculate the emissions, a certain degree of measurement uncertainty in the reporting year cannot be ruled out. Within the scope of the given possibilities, every effort has been made to minimise or completely avoid estimation uncertainties. In the future, the focus will continue to be on improving data quality in order to ensure a more precise recording of emissions.

In the area of retail underwriting (private households and small and medium enterprises), a reference value (baselining) was established for the reported emissions in the motor portfolio in accordance with the PCAF Standard (Part C) “Insurance-Associated Emissions”. The estimated vehicle-specific approach (Score 2-3) was used for estimates for passenger cars and vans as described in the PCAF standard and the estimated vehicle-unspecific approach (Score 4) for other vehicles. These approaches were chosen because no primary data are available from the motor portfolio of policyholders for the actual vehicle-specific approach (Score 1). Using data based on existing insurance contracts, each vehicle with a motor third party liability insurance (MTPL) policy was assigned emission values in the motor portfolio. Based on the data submitted annually by the individual consolidated companies, which in the reporting year were submitted with a reporting date of 31 October 2024, the emissions were calculated using two indicators: vehicle-specific emissions per 100 km driven and the annual distance travelled by the vehicle.

For the reporting year, approx. 77% of the reported emissions were calculated using the official CO_2e data from vehicle manufacturers. The remaining emissions represent an approximate value based on the estimation methodology cited. The data gap for this remaining approximately 23% of emissions is due to the fact that not all vehicle identification numbers (VINs) were available in full. Therefore, an approximation based on the known vehicle categories in the respective country was used in this context. The data on kilometres travelled were obtained from public sources. For about 8% of the companies, mileage was derived from local statistical databases. If such data were not available, the average mileage from various publications was used for each country and vehicle category. The earlier reporting date did not result in any significant inaccuracies with regard to the data quality in the underwriting (retail) portfolio, as there were only minor fluctuations and seasonality had no material impact on the emissions calculations. In order to improve the accuracy of the emissions collected in the future, the aim in the coming years will be to obtain even more precise information about the distance travelled by vehicles and to improve the CO_2e emissions database with a view to improving the recording of vehicle types.

Value chain estimation in asset management

In the area of asset management, 74.78% of corporate bonds and equities were directly covered by emissions data from an external ESG database of a specialised financial service provider in 2024 (including investment fund units).

The coverage rate for government bonds in the reporting year was 99.90%. If the external financial service provider was unable to collect direct data on emissions by the reporting date of 31 December 2024, the financial service provider's internal models were used to estimate the data. This means that an adequate level of accuracy can be assumed. The quality of the emissions data available is expected to continue to improve as more companies disclose their emissions. As a result, the coverage rate will also increase and the portion of the portfolio that is currently extrapolated based on the available emissions will decrease in the future.

Value chain estimation in the real estate portfolio

The financed emissions from VIG's real estate portfolio were collected and calculated in accordance with PCAF Part A – "Financed Emissions". These emissions were calculated using three approaches based on the availability of primary and secondary data with descending data quality in accordance with PCAF Part A. A detailed description of the calculation of emissions from VIG's real estate portfolio can be found in section ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions", which presents VIG's greenhouse gas emissions (GHG).

A distinction was made between actual emissions and estimated and calculated emissions when collecting the relevant emissions. For all properties for which verifiable and complete consumption figures were available, the actual emissions were collected and reported. For all those properties for which no (detailed) consumption data were currently available, the information shown on the energy performance certificate was used to calculate the total emissions. To do this, the estimated energy consumption per m2 based on the information in the energy performance certificate was used to calculate the emissions based on an average emission factor for the energy source used. In the case of real estate investments for which neither consumption data nor energy performance certificates were available, estimates were carried out in the same way as for the other investment classes, using approximations from an external specialised financial service provider in accordance with the NACE classification. Consequently, VIG used all three approaches proposed by PCAF Part A for calculating the real estate portfolio's emissions. As data quality increases, the inaccuracy of estimates will gradually decrease in the future.

Sources of estimation and outcome uncertainty

The same method used for the consolidated income statement in financial reporting was used to translate foreign currency amounts into the reporting currency of euros during the financial year in order to ensure consistent and comparable reporting in accordance with ESRS 1 (see chapter 25.1 "Currency translation"). Where possible, actual and up-to-date emissions data from the investee companies, taken from the external database used, were used to determine the financed emissions. Missing emissions data in the portfolio in 2024 were described under "Value chain estimation in asset management".

All the estimates described above in relation to the environmental metrics, as well as any associated possible measurement uncertainty, were therefore mainly due to a lack of available data. For example, in the case of real estate leased by VIG, not all of the tenants' consumption data were known, and in the retail customer motor portfolio, information on the kilometres driven and the actual fuel consumption of policyholders was not fully available. Likewise, estimates were sometimes required in the area of underwriting for corporate customers where it was not possible to assign the actual pro rata insured emissions.

The use of industry averages to determine financed and insured emissions is based on the assumption that the portfolio companies are, on average, close to the industry average. This approach was used on the basis of the business model and owing to a lack of granular data.

Changes in preparation or presentation of sustainability information

As this is the first year of sustainability reporting in accordance with the CSRD/ESRS, there are no changes to report under ESRS 2 BP-2 "Disclosures in relation to specific circumstances". However, the process has changed significantly compared to the GRI reporting of the 2023 Sustainability Report and the scope of the report has been extended beyond the insurance companies. The newly added non-insurance companies were gradually incorporated into the reporting in 2024 and fully integrated into the process. Furthermore, a double materiality assessment was carried out to comply with the new statutory requirements (see chapter IRO-1 – "Description of the process to identify and assess material impacts, risks and opportunities").

Following the introduction of ESRS reporting, the figures for the EU Taxonomy are now presented in a separate chapter of the consolidated non-financial report. Compared to the previous year, 100% of all consolidated non-life insurance companies of VIG were included in the evaluation of the technical screening criteria (TSC) in the underwriting process. In addition, a Group Guideline entitled "MSS Screening in Underwriting" was created in 2024 to comply with the minimum social safeguards (MSS).

Reporting errors in prior periods

Since this is the first year in which the consolidated non-financial report was prepared in accordance with the CSRD/ESRS, the disclosure of errors from previous reporting periods is not applicable.

Disclosures stemming from other legislation or generally accepted pronouncements on the consolidated non-financial report

Disclosures in accordance with Article 8 of Regulation 2020/852 (Taxonomy Regulation) are published in the environmental information (see page 97). Where information has been included in the consolidated non-financial report on the basis of other legislation or recognised standards, this has been indicated in the appropriate places. References outside the consolidated non-financial report:

Chapter ESRS reporting		Reference
BP-1	General basis for preparation of consolidated non-financial report	Consolidated financial statements, chapter "The war in Ukraine"
BP-2	Disclosures in relation to specific circumstances	Consolidated financial statements, chapter "Currency translation"
GOV-1	The role of the administrative, management and supervisory bodies	Corporate Governance Report, chapter "Supervisory Board independence"
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Chapter "Procedures followed by the Managing Board and by the Supervisory Board and its committees"
GOV-3	Integration of sustainability-related performance in incentive schemes	Consolidated financial statements, chapter "Compensation policies for Managing Board members"
GOV-5	Risk management and internal controls over consolidated sustainability reporting	Consolidated financial statements, chapter "Risk strategy and objectives"
SBM-1	Strategy, business model and value chain	Chapters "Strategic principles", "Sustainability programme" Group management report, chapter "Financial performance indicators"
SBM-2	Interests and views of stakeholders	Chapter "Strategy programme"
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Consolidated financial statements, chapters "Goodwill", "Calculation of fair value"
MDR-P	Policies adopted to manage material sustainability matters:	Chapters "Strategic principles", "Sustainability programme"
MDR-T	Tracking effectiveness of policies and actions through targets	"Strategy programme", "Sustainability programme"
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions: Insurance turnover: Insurance service revenue – issued business	Consolidated financial statements, chapter "Consolidated income statement"
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions: Real estate income (from rented properties of insurance companies and from real estate holding companies)	Consolidated financial statements, chapter 4. "Investment property"
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions: IFRS 15 turnover from non-insurance companies: Other income (other revenue from services)	Consolidated financial statements, chapter 15.3 "Other income and expenses"
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Notes, chapter "Risk strategy and risk management"

Governance

DISCLOSURE REQUIREMENT GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The VIG Holding Managing Board comprised seven members as of 31 December 2024. The Supervisory Board consists of 12 members. There is no works council at VIG Holding, so there are no workers' representatives on the Supervisory Board. The interests of employees are covered by the specific activities described in more detail in the chapter on Disclosure Requirement ESRS S1-2 "Processes for engaging with employees and employees' representative about impacts", as well as through due consideration in the relevant bodies.

The areas of responsibility and country responsibilities of the members of the Managing Board are described in the Corporate Governance Report (from page 22).

The gender-specific composition and other diversity metrics for both the Managing Board and the Supervisory Board of VIG Holding are presented below. Gender, generations and internationality are the primary diversity criteria in relation to top management. The data as of 31 December 2024 were used to calculate the percentage distribution.

	VIG Holding Managing Board		Supervisory Board of VIG Holding	
	Total	in %	Total	in %
Gender				
Male	6	86.71%	7	58.33%
Female	1	14.29%	5	42.66%
Nationality				
Austrian	6	86.71%	6	50.00%
Non-Austrian	1	14.29%	6	50.00%
Generations				
Under 30 years old	0	0.00%	0	0.00%
30-50 years old	3	42.86%	2	16.66%
Over 50 years old	4	57.14%	10	83.33%

75% of the members of the Supervisory Board elected by the Annual General Meeting can be categorised as independent in accordance with the criteria for independence defined by the Supervisory Board pursuant to C-Rule 53 of the Austrian Code of Corporate Governance; see page 28 "Supervisory Board independence".

The Corporate Governance Report starting on page 22 provides comprehensive information on the roles and responsibilities of the Managing Board and the Supervisory Board. This includes an overview of the individuals and committees of the Supervisory Board. The Supervisory Board, as a whole, regularly deals with sustainability issues.

The Supervisory Board has established the Committee for Urgent Matters (Working Committee), the Audit Committee (Accounts Committee), the Committee for Managing Board Matters (Personnel Committee), the Strategy Committee and the Nomination Committee. It performs all activities defined under the law, articles of association and the procedural rules of the Supervisory Board. The Audit Committee (Accounts Committee) performs the tasks in accordance with § 92 (4a) of the Austrian Stock Corporation Act (AktG) and § 123 (9) of the Austrian Insurance Supervision Act (VAG) 2016. It is therefore responsible in particular for the auditing and preparation of the approval of the separate financial statements, the proposal for appropriation of profits and the management report. The Audit Committee is also responsible for auditing the consolidated financial statements and making a proposal for the election of the auditor, and reporting to the Supervisory Board on the matter. The Committee for Managing Board Matters (Personnel Committee) deals in particular with the personnel matters of the Managing Board members and reviews the remuneration policy at regular intervals. The Managing Board submits the Group management report and thus the consolidated non-financial report contained therein to the Audit Committee and the Supervisory Board as a whole, and the Audit Committee and Supervisory Board then audit the consolidated non-financial report as part of the audit of the management report.

The VIG Holding Managing Board is responsible for the management of the company and the Group. The Managing Board manages the business of the Company under the leadership of its Chairperson and within the constraints of the law, articles of association and procedural rules of the Managing Board. It meets as needed (generally every two weeks) to discuss current business developments, and makes the necessary decisions and resolutions during the course of these meetings. The Managing Board members continuously exchange information with each other and with the heads of various departments. Sustainability is fundamentally embedded as a cross-cutting theme in all areas of the organisation and is therefore an integral part of the core topics. Accordingly, the responsibility for implementing sustainability matters also lies with the respective departmental areas, or is decentralised among the companies.

Sustainability matters are taken into account by the individual departments when performing their tasks within the scope of their respective responsibilities on the VIG Holding Managing Board. In addition, a Group Sustainability Office (GSO) has been established within VIG Holding to consolidate and coordinate efforts. This office is assigned to the portfolio of the Chairman of the Managing Board. On behalf of the Managing Board, it coordinates and manages the sustainability activities and their further development at VIG, involving the relevant departments.

A Sustainability Committee, consisting of members of the Managing Board and managers from various departments of VIG, deals with material topics concerning the introduction, implementation and further development of VIG's sustainability activities across the board. In particular, it is responsible for making recommendations to the Managing Board as a whole on material topics relevant to sustainability-related resolutions. The Sustainability Committee meets at least quarterly, and the Managing Board is updated by means of the relevant minutes and, if necessary, an oral report at a Managing Board meeting. The following are represented on the Sustainability Committee: Deputy Chairman of the Managing Board, Chief Finance and Risk Officer (CFRO), Chief Operating Officer (COO) and, in particular, managers from the Corporate Business, Retail Insurance & Business Support, Asset Management (including Real Estate), Human Resources, European Affairs and Risk Management departments. To ensure close coordination with the ESRS reporting process, the team leader for ESRS reporting is also represented at the Sustainability Committee meetings, in addition to the Head of Group Finance and Regulatory Reporting. The nomination of these representatives within VIG Holding is linked to the spheres of impact of VIG's sustainability programme. The Group Sustainability Office is responsible for managing the committee.

In 2024, the VIG Holding Managing Board informed the members of the Supervisory Board of material sustainability and IT security matters. The topics discussed in the reporting year included the VIG sustainability programme, the new legal requirements for the consolidated non-financial report in accordance with the ESRS, the results of the double materiality assessment and the preparatory work for the consolidated transition plan for climate change mitigation for the VIG insurance companies. Regular reports on compliance, IT security and data protection are also provided. The Supervisory Board, both as a whole and through the Audit Committee, took the opportunity to address sustainability matters.

The members of the Managing Board and the Supervisory Board have the necessary specialist knowledge, industry knowledge and experience, especially in the countries in Central and Eastern Europe in which VIG operates, in order to properly fulfil their duties. The relevant experience and expertise comes from relevant further education and training courses as well as corresponding professional experience, which is also ensured by the statutory fit & proper requirements. The members of the Supervisory Board also receive regular training and information on current specialist topics.

VIG has established a comprehensive document governance system that regulates in detail how binding requirements can be issued for the Group companies. This system differentiates between Group policies, Group guidelines and Group operating procedures. While policies are adopted by the full Managing Board, guidelines are approved by the responsible Managing Board member. Operating procedures are issued by the responsible department manager or a special representative of VIG Holding on the basis of an authorisation in a policy or guideline. The governance documents are communicated to the Group companies within the scope of application of the document by the respective document creator. In addition, the documents can be accessed at any time on the Intranet. The governance documents require local implementation at Group company level in order to be effective, and the approval requirements must correspond to those at VIG Holding level. If, in exceptional cases, Group requirements cannot be implemented at Group company level, there is a standardised process for handling deviations that provides for appropriate communication between the Group companies in exceptional cases and the document creator(s) at VIG Holding and requires the decision of the local Supervisory Board in the event of disagreement. Once a year, Compliance (incl. AML) of VIG Holding carries out a centralised query to check that the Group-wide governance documents have been formally implemented.

The relevant VIG Holding document creator is responsible for monitoring implementation. In addition, the implementation of governance documents forms part of the internal audit process. This multi-pronged approach to monitoring ensures effective implementation and compliance in the Group companies.

DISCLOSURE REQUIREMENT GOV-2 – INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Individual members of the Managing Board or the Managing Board as a whole are informed about sustainability matters by the managers from the relevant departments, the Group Sustainability Office (GSO) or the Chairman of the Sustainability Committee, depending on their areas of responsibility The Managing Board as the management body and the Supervisory Board as the governance body are involved in such matters in accordance with the statutory requirements for these bodies, which clearly define the relevant responsibilities. The strategic and economic relevance of the decision plays an important role in this. Further information on how the management bodies deal with sustainability matters can be found in the Corporate Governance Report in the chapter "Procedures followed by the Managing Board and by the Supervisory Board and its committees" on page 29.

The material sustainability-related impacts, risks and opportunities identified in the double materiality assessment are reflected in the six spheres of impact of the VIG sustainability programme and are described in detail below for the reporting year. The actions taken in connection with ESRS E1 "Climate change" focused on the preparation of a transition plan for Vienna Insurance Group (with a focus on the insurance sector in 2024) and were approved by the VIG Holding Managing Board on 27 January 2025. In addition, key performance indicators (KPIs) related to ESRS reporting were presented, for example on the GHG emissions from underwriting, asset management and internal operations, including the significance analysis for ESRS E1 "Climate change". The VIG Holding Managing Board also dealt with compliance issues several times in the reporting year. The final report of an anti-greenwashing working group founded in 2024 was discussed in the Sustainability Committee. A Group policy on underwriting for retail customers was discussed by the Managing Board and, among other things, contains aspects relating to the topic of anti-greenwashing (Non-Life Underwriting Guideline). In addition, the VIG Holding Managing Board regularly addressed IT security-related topics and was updated on the current status of the Cyber Defense Center programme in 2024. Training on the Digital Operational Resilience Act (DORA) was provided to all members of the Supervisory Board and Managing Board of VIG in 2024. IT and security risks were also discussed in the VIG Holding Risk Committee. Matters related to the Group's own workforce are addressed by the VIG Group Policy Remuneration and VIG Group Policy Fit & Proper, the Code of Business Ethics and the diversity strategy.

DISCLOSURE REQUIREMENT GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The incentive schemes for the members of the VIG Holding Managing Board reflect the Company's success from the perspective of the various stakeholders, i.e. the remuneration is intended to reward successful management, particularly with regard to sustainable earnings on the one hand, and contributions to employee and common good on the other. The remuneration package for members of the VIG Holding Managing Board is divided into fixed and variable components (see the part of the VIG Holding remuneration policy relating to members of the Managing Board, Section 2.2.5), while the remuneration for members of the VIG Holding Supervisory Board does not include a variable component.

The variable remuneration of VIG Holding Managing Board members is tied to the achievement of predefined annual performance targets. These include both financial targets such as income and revenue growth as well as non-financial targets. For 2024, the strengthening of diversity was defined as a non-financial target for the members of the VIG Holding Managing Board and weighted at 10% of the strategic special targets (see also Section 2.2.2 b of the remuneration policy). Moreover, a significant part of the variable remuneration is subject to a sustainability-oriented deferral rule, where 40% of the bonus earned for the financial year is deferred on a straight-line basis over three years.

The deferred payments depend on the sustainable development of Vienna Insurance Group. When assessing sustainable development, both economic goals and the responsibility towards the environment, society and employees are considered, thus embedding long-term sustainability into the remuneration structure.

The Supervisory Board, specifically the Supervisory Board Committee for Managing Board Matters of VIG Holding, is responsible for approving and regularly reviewing the terms of the incentive schemes for VIG Holding Managing Board members.The remuneration of the members of the Supervisory Board requires a resolution to be passed at the Annual General Meeting.

Further details can be found in the VIG Holding Remuneration Policy 2024 on the VIG website (https://group.vig/corporate-governance).

DISCLOSURE REQUIREMENT GOV-4 – STATEMENT ON DUE DILIGENCE

The following table provides an overview of the core elements of due diligence in the consolidated non-financial report. The processes implemented by VIG Holding to identify impacts, risks and opportunities are taken into account, including the double materiality assessment, as well as the actions taken to prevent negative impacts.

List of information provided on the due diligence process

Core elements of due diligence	Disclosure Requirement	Paragraphs in the consolidated non-financial report
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model

Core elements of due diligence	Disclosure Requirement	Paragraphs in the consolidated non-financial report
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	ESRS 2 SBM-2	Interests and views of stakeholders
	ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities
	ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
	ESRS E1-4	Targets related to climate change mitigation and adaptation
	ESRS S1-4	Taking action on material impacts and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches
	ESRS S4-1	Policies related to consumers and end-users
	ESRS S4-5	Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities
	ESRS G1	Additional company-specific disclosures
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	ESRS E1-1	Transition Plan for climate change mitigation
	ESRS E1-2	Policies related to climate change mitigation and adaptation
	ESRS E1-3	Actions and resources in relation to climate change policies
	ESRS S1-1	Policies related to own workforce of the company
	ESRS S1-2	Processes for engaging with employees and employees' representatives about impacts
	ESRS S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns
	ESRS S1-4	Taking action on material impacts and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches
	ESRS S4-1	Policies related to consumers and end-users
	ESRS S4-2	Processes for engaging with consumers and end-users about impacts
	ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
	ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities in respect of consumers and end-users, and effectiveness of those actions
	ESRS G1-1	Corporate culture and business conduct policies
	ESRS G1-3	Prevention and detection of corruption and bribery
	ESRS G1 MDR-A	Actions and resources in relation to material sustainability matters
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 SBM-2	Interests and views of stakeholders
	ESRS E1-4	Targets related to climate change mitigation and adaptation
	ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions
	ESRS S1-5	Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities
	ESRS S1-6	Characteristics of the undertaking's employees until ESRS S1-17 - Incidents, complaints and severe human rights impacts
	ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities in respect of consumers and end-users, and effectiveness of those actions
	ESRS S4-5	Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities
	ESRS G1-4	Confirmed incidents of corruption or bribery

DISCLOSURE REQUIREMENT GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS ON CONSOLIDATED SUSTAINABILITY REPORTING

Risk management plays a crucial role at VIG in the identification of material risks as part of the double materiality assessment. The aim of the internal control processes relating to the consolidated non-financial report is to ensure the accuracy, reliability and completeness of the consolidated sustainability disclosures. The area of responsibility includes data collection and validation through to governance through the creation of internal guidelines and policies.

General information on the governance system, risk management system and internal control system

The governance system, along with the organisation of the risk management system and the risk management process, is described in the chapter "Risk strategy and risk management – Governance system" and in more detail in the "Risk management processes" section on page 302.

Sustainability risks are risks to which the Company is exposed (outside-in perspective), as well as any risks arising from the business activity of VIG that could potentially have negative impacts on society or the environment (inside-out perspective). Such risks have always been taken into account implicitly or even explicitly in some cases within the scope of risk management.

Ongoing promotion of a highly developed level of risk awareness, coupled with the defined risk governance, ensures that risk is minimised in all areas as far as possible.

Risks and controls in relation to ESRS reporting

For monitoring operational risks, VIG maintains an adequate internal control system (ICS), which ensures ongoing monitoring of risks. The following two risks are specifically considered in relation to the consolidated non-financial report as part of the ICS. The risk "Incomplete consolidated non-financial report" entails the risk that Group-wide reporting on material sustainability matters is insufficient and therefore incomplete. To mitigate this risk, a double materiality assessment was carried out in consultation with the relevant departments within VIG Holding and the local (re)insurance companies before the consolidated ESRS report was prepared. This ensured that all material topics were identified. In addition, the principle of dual control was applied in the preparation of the report. The VIG Holding departments responsible for the data have implemented appropriate control mechanisms to mitigate the risk of "Incorrect data in the consolidated non-financial report". These controls range from the implementation of the principle of (at least) dual control to (semi-)automated data validation procedures. In addition, data plausibility checks are part of the process of preparing the consolidated non-financial report.

The ICS is an important component of the governance system and is firmly anchored in all VIG insurance and reinsurance companies. It is based on an appropriate process organisation with clearly defined areas of decision-making and responsibility. Based on this determination of responsibility, duties and general requirements, guidelines are established for the respective companies and/or departments, which form the framework of the ICS. Within the ICS, all relevant operational risks and accounting-specific risks are recorded for each area of the Company and assessed by the risk owners according to the existing controls using a severity/frequency analysis. The individual risks, along with their assessments, are categorised into 12 risk categories, which are visualised and analysed through an operational risk heat map.

To ensure a structured approach to the identification of sustainability risks in the Group, a Group-wide risk catalogue (ESG risk inventory) with explicit reference to sustainability risks has additionally been prepared in observance of the Guide for Managing Sustainability Risks published by the Austrian Financial Market Authority. The ESG-specific risk catalogue includes at least those risks that were identified as material as part of the consolidated double materiality assessment. Furthermore, each of the identified risks that has an impact on VIG is assigned to a specific VIG risk category.

The VIG (re)insurance companies and the pension funds and asset management companies regularly review this risk catalogue for completeness as part of a standardised risk management process ("risk inventory") and supplement it if necessary. All VIG companies mentioned must evaluate the defined or newly added risks on a qualitative basis with regard to the risk and further development and describe any mitigation measures. In the reporting year, the relevant sustainability risks were also identified and assessed at the VIG companies mentioned and at the level of the insurance group.

Reporting to the Managing Board

The VIG Holding Managing Board is regularly updated on the risk situation of the Group and of the insurance companies in dialogue with Risk Management.

In addition, sustainability matters are included in the internal audit plan. All internal audit reports and their results are made available to the VIG Holding Managing Board.

Strategy

DISCLOSURE REQUIREMENT SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

VIG is a diversified insurance group. The insurance companies belonging to VIG offer insurance solutions that have been adapted to the local conditions and the needs of customers and policyholders. VIG's insurance portfolio is diverse and comprehensive, covering a broad spectrum of needs for both individuals and corporates. Additionally, tailored options like supplementary health insurance, nursing care insurance, endowment insurance, term life insurance and investment-oriented products meet specific customer requirements. The VIG companies are responsible for large capital investments, which is why security and sustainability are the focus of the investment strategy. Diligence guides the reinsurance policy: To obtain the optimal risk balance, some risks are bundled at the Group level and some are placed on the international reinsurance market.

VIG is the leading insurance group in Central and Eastern Europe. It consists of the listed VIG Holding and more than 50 insurance companies and pension funds in 30 countries. Based on the principle of local entrepreneurship, it adopts a decentralised management approach in order to best meet the different requirements of the markets in which it operates. The decentralised organisational structure gives local management and employees the necessary flexibility to conduct their business activities. This allows products and sales to be adjusted optimally to local circumstances.

VIG serves a total of around 33,000,000 customers, including private individuals, small and medium enterprises (SMEs) and large companies. VIG Holding has no operational retail or SME business. This business is conducted by the local VIG insurance companies. VIG Holding handles the corporate business both itself and through the local VIG insurance companies. These local companies attach great importance to being close to their customers and, to this end, pursue a multi-channel distribution approach. VIG has around 30,000 employees.

The VIG insurance companies invest the premium payments they receive in such a way that they are able to fully meet their obligations to their policyholders at all times. Security is the top priority for investments, which is why good credit ratings and stable returns are preferred. VIG's responsible investment, insurance and reinsurance practices reflect a focus on environmental aspects and social responsibility. This includes the exclusion of certain (sub-)sectors/issuers from its investment universe and its underwriting activities (see website: https://group.vig/en/sustainability/downloads/). The exclusion criteria are described in detail in chapter ESRS E1-2 "Policies related to climate change mitigation and adaptation".

According to the requirements of the ESRS, a breakdown of total income that deviates from the IFRS consolidated financial statements is not required. The revenue reported in segment reporting in accordance with IFRS 8 includes issued business. This revenue is shown in the income statement under "Insurance service revenue – issued business" and amounted to EUR 12,138,477,000 in 2024.

According to the clarifications of the European Financial Reporting Advisory Group (EFRAG), the disclosures required by ESRS 2 SBM-1 Section 40d relate to direct revenue from sectors of the undertaking's own business activities and not to that of policyholders or investee undertakings, thus excluding underwriting and asset management in the VIG value chain. VIG does not generate revenue from activities associated with fossil fuels, chemicals production, controversial weapons, or tobacco cultivation and production. Consequently, this datapoint does not apply to VIG.

Key elements of VIG's general sustainability efforts are set out in the strategic programme, of which the VIG sustainability programme is an integral part. It is helping to achieve the Company's strategic objectives, which encompass the three parts "Expanding the leading market position in CEE", "Creating sustainable value" and "Sustainability objectives in six spheres of impact". Details on the programme can be found in the chapter "Strategic principles" on page 10. Furthermore, the strategic programme sets out VIG's goals, which include more efficiency, more customer proximity and more added value.

In the area of asset management, VIG takes social and environmental criteria into account. The long-term target is to reduce the greenhouse gas emissions of the investment portfolio to net zero by 2050. In the area of underwriting, the company strives to reduce greenhouse gas emissions in its corporate portfolio. The aim of this strategic effort is to reach net zero by 2050. VIG also strives to reduce its emissions in its internal operations and is aiming to be climate neutral by 2030 and achieve net zero by 2050. Climate neutral means that the emissions caused are offset by compensatory measures, while the aim of net zero is to reduce emissions as much as possible and to permanently neutralise unavoidable emissions. Detailed information on the climate targets and the related actions that aim to support the achievement of the emission reduction targets in the respective areas can be found in chapters ESRS E1-2 “Policies related to climate change mitigation and adaptation” and ESRS E1-3 “Actions and resources in relation to climate change policies”.

With its promise of “protecting what matters”, VIG wants to help close existing insurance gaps. The Company also strives to support policyholders in preparing themselves better for the insurance impacts of climate change. Details can be found in chapter E1 IRO-1 “Description of the process to identify and assess material impacts, risks and opportunities”.

In addition to the application of exclusion criteria and engagement activities, comprehensive services are also offered for corporate customers. The VIG Group company Risk Consult Sicherheits- & Risiko-Managementberatung GmbH (Risk Consult) also carries out analyses of natural hazards specifically for large companies. It uses mathematical models and local factors to accurately assess potential threats. In some cases, insurance coverage is contingent on the implementation of these recommended measures, ensuring that policyholders are better protected against natural hazards.

By integrating these tailored services, VIG addresses the specific sustainability concerns of its diverse customer segments. In Austria, the insurance industry is working to raise awareness among retail customers and SMEs of the impacts of climate change. Together with another organisation, the Austrian insurance sector is financing the “Kuratorium für Verkehrssicherheit”. Originally founded to raise awareness in the area of traffic and to reduce the number of accidents, the focus in recent years has increasingly expanded to include the impact of climate change on property damage.

With regard to products, the process contains a detailed overview of the range of insurance products offered by Vienna Insurance Group. The product range includes, among others, motor third party liability and motor own damage insurance, accident insurance, liability insurance, fire and natural hazards insurance as well as travel insurance. For example, local insurance companies have introduced coverage extensions in individual products that encourage the adoption of green technologies and support climate risk mitigation efforts. In order to fulfil financially sustainable criteria, new ideas are analysed before adapting products, including questions regarding the insurability of the risk, market acceptance and reinsurance coverage.

Such products are only introduced if the risk is insurable, the product is accepted in the market and adequate reinsurance coverage is available, thus meeting the criteria for financial sustainability.

In the motor sector, local insurance companies are closely tied to the development of the vehicle market in the countries. Motor third party liability insurance is mandatory in all VIG countries (except Georgia), so there is little scope for insurance companies to act.

The transition plan for the local insurance companies was developed in 2024, defining specific actions to gradually reduce greenhouse gas emissions and to align product portfolios with sustainability goals. More detailed information is provided in ESRS E1-3 “Actions and resources in relation to climate change policies”.

The impacts of the double materiality assessment are addressed in the strategy via four components of the sustainability programme:

- Economic component: VIG pursues a profitable business model that creates sustainable value for the Group’s stakeholders, thereby ensuring the Group’s continued economic existence.
- Governance component: Business conduct that is responsible, transparent and geared towards long-term success is central to VIG. In its markets, the Group is a reliable partner to the market and to society.
- Social component: VIG wants to contribute towards a well-functioning community and a stable, economically

resilient society in which all members can participate. VIG offers its customers a comprehensive range of insurance products and creates an attractive working environment for its employees.

– Environmental component: VIG considers the environmental impacts of its business activities and helps to reduce the negative effects of climate change. The aim is to ensure that we can continue to operate in a world that is worth living in for everyone.

Further details of the sustainability programme can be found on page 14.

VIG is committed to the United Nations Global Compact (UNGC) and its ten universal principles and discloses an annual Communication on Progress with information on how it contributes to these principles. The table below shows the pages of the consolidated non-financial report that address VIG's contributions to the Principles of the UNGC.

No.	Principles	Disclosure Requirement	Paragraphs in the consolidated non-financial report
	Human Rights		
1	Businesses should support and respect the protection of internationally proclaimed human rights.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-2	Interests and views of stakeholders
		ESRS S1-1	Policies related to own workforce of the company
		ESRS S1-17	Incidents, complaints and severe human rights impacts
		ESRS S4-1	Policies related to consumers and end-users
2	Businesses should make sure that they are not complicit in human rights abuses.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-2	Interests and views of stakeholders
		ESRS S1-1	Policies related to own workforce of the company
		ESRS S1-17	Incidents, complaints and severe human rights impacts
		ESRS S4-1	Policies related to consumers and end-users
	Labour		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-2	Interests and views of stakeholders
		ESRS S1-1	Policies related to own workforce of the company
		ESRS S1-8	Collective bargaining coverage and social dialogue
		ESRS S1-11	Social protection
4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS S1.SBM-2	Interests and views of stakeholders
5	Businesses should uphold the effective abolition of child labour.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-2	Interests and views of stakeholders
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-2	Interests and views of stakeholders
		ESRS S1-1	Policies related to own workforce of the company
		ESRS S1-17	Incidents, complaints and severe human rights impacts

No.	Principles	Disclosure Requirement	Paragraphs in the consolidated non-financial report
	Environment		
7	Businesses should support a precautionary approach to environmental challenges.	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes
		ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting
		ESRS 2 SBM-1	Strategy, business model and value chain
		ESRS 2 SBM-2	Interests and views of stakeholders
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets
		-	Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)
		ESRS E1	Climate change
		ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities in respect of consumers and end-users, and effectiveness of those actions
		ESRS G1	Additional company-specific disclosures
8	Businesses should undertake initiatives to promote greater environmental responsibility.	ESRS 2 SBM-2	Interests and views of stakeholders
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS E1	Climate change
		ESRS S4-1	Policies related to consumers and end-users
		ESRS G1	Additional company-specific disclosures
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	ESRS 2 SBM-1	Strategy, business model and value chain
		ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS E1-1	Transition Plan for climate change mitigation
		ESRS E1-3	Actions and resources in relation to climate change policies
		ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities in respect of consumers and end-users, and effectiveness of those actions
	Anti-corruption		
10	Businesses should work against corruption in all its forms, including extortion and bribery.	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's consolidated non-financial report
		ESRS 2 MDR-P	Policies adopted to manage material sustainability matters:
		ESRS S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
		ESRS S1-1	Policies related to own workforce of the company
		ESRS G1-1	Corporate culture and business conduct policies
		ESRS G1-3	Prevention and detection of corruption and bribery
		ESRS G1-4	Confirmed incidents of corruption or bribery

VIG pursues a comprehensive strategy to sustainably strengthen its markets, customers and employees. It endeavours to minimise any possible negative impacts on the environment in a targeted manner. These impacts are described in more detail in chapter E1 "Climate change".

Qualified and motivated employees play a central role in the provision of high-quality insurance services for customers. That is why great importance is attached to continuously increasing our attractiveness as an employer and developing our corporate culture. In addition, IT is a key factor for operational performance and is focused on ensuring the highest security standards and implementing regulatory requirements. A comprehensive and effective compliance management system has been set up in Vienna Insurance Group to ensure compliance with regulatory requirements. Further details can be found in the respective topic chapters.

VIG actively engages with stakeholders to understand their concerns and expectations, which helps to refine strategies and enhance sustainability performance (see also chapter SBM-2 “Interests and views of stakeholders”).

VIG offers policyholders a wide range of insurance products and services tailored to the needs of the different policyholder segments. The advantages include comprehensive risk coverage and a conservative investment and reinsurance policy. Other stakeholders also benefit from VIG’s commitment to sustainability, employee development and corporate social responsibility. Details on the key financial performance indicators that form the basis for assessing the business development are described in the chapter “Financial performance indicators” starting on page 44.

VIG’s value chain can be divided into the three areas of underwriting, asset management and internal operations, and ranges from product development, underwriting and risk transformation to asset management, claims settlement, marketing and distribution. Areas such as Opportunity Management, Group Actuarial, Planning & Controlling, Human Resources, General Secretariat and Legal, Risk Management, Compliance (incl. AML), VIG IT, Group Finance & Regulatory Reporting etc. support the overall product development process.

DISCLOSURE REQUIREMENT SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

Stakeholder engagement is an important component of VIG’s approach to corporate responsibility. VIG stakeholders range from customers, sales and business partners, the professional public, (potential) employees, and shareholders/investors to the media, NGOs, authorities and society.

Depending on the topic and the stakeholder group, VIG offers various channels of communication so that issues can be raised. The frequency of communication varies depending on the stakeholder group and communication channel concerned. Taking different perspectives into account enables VIG to react to challenges and opportunities in an appropriate way and to make well-informed decisions for the future. VIG uses the following, among others, for its ongoing dialogue with stakeholders:

- Employee surveys
- Customer satisfaction surveys
- Personal dialogue, workshops and training
- Newsletters
- Memberships
- Press conferences
- Commitment to sustainability initiatives

As VIG is a decentralised group, the local insurance companies have a great deal of decision-making freedom to best meet the needs of local stakeholders. Engagement with the following stakeholder groups takes place via various channels:

Sustainability-related concerns:
Group Sustainability Office, Klaus Mühleder,
Email: GroupSustainabilityOffice@vig.com

Stakeholder group	Dialogue format	Contact options
Policyholders	Contact by personal advisors, service offices or by video, telephone and email	VIG insurance companies: group.vig/en/vig-inside/group/markets VIG Holding: info@vig.com Contact form for social media channels on the website: https://group.vig/en/footer/contact-form
	Feedback via social media channels	
	Surveys	
	(Market) analyses	
Professional public	Membership in insurance associations and sustainability initiatives	Communication, Collaboration & Cooperation, Karin Kafesie, karin.kafesie@vig.com info@vig.com
	Industry networking events	
	Participation in conferences	
Sales and business partners	Personal contact	See Policyholders
	Workshops and trainings	
	Newsletter	
	Distribution portals	
	Events	
(Potential) employees	(Virtual) events	Human Resources, Barbara Hohl, barbara.hohl@vig.com
	Intranet	
	Regular, structured meetings to discuss objectives and development	
	Joint development of policies and actions	
	Surveys	
	Grievance mechanisms	
	Contact with students through cooperations with universities etc.	
	Website, social media (LinkedIn)	
Shareholders/(potential) investors	Continuous capital market information	Investor Relations, Nina Higatzberger-Schwarz, investor.relations@vig.com
	Information exchange and communication via various channels (website, social media etc.)	
	Contacts in the Investor Relations team	
	Regular telephone conferences when publishing results	
	Annual general meeting	
	Participation in investor conferences	
NGOs	Regular dialogue with NGOs	Group Sustainability Office, Klaus Mühleder, GroupSustainabilityOffice@vig.com
Society, media, authorities	Press conferences and interviews	Communication, Collaboration & Cooperation, Karin Kafesie, karin.kafesie@vig.com info@vig.com
	Personal contact	
	Voluntary work	
	Participation in initiatives, supporting projects	
	Implementation of own cultural and social projects	
	Regulatory dialogue with legislation and supervision	

Stakeholder engagement is organised through structured and continuous processes, as shown in the table. By incorporating stakeholder views, VIG Holding ensures that its sustainability efforts stay relevant and effective. Engagement with policyholders takes place through direct feedback channels, surveys and digital platforms. Employees participate in regular dialogue and surveys, including a standardised employee engagement survey, and receive internal communications. Communication with investors takes place via virtual or in-person meetings, capital market updates, telephone conversations and annual general meetings, as well as ad hoc surveys, which are carried out by external consultants. In addition to compliance with regulatory requirements, society and authorities are taken into account in the VIG markets through public consultations and also through the organisation of joint initiatives.

As well as expanding VIG's ESG investment strategy, VIG has actively started a dialogue with investee companies and potentially investable companies. This is included under the term internationally known as engagement service provider that aggregates the interests of many investors and engages with companies on sustainability issues. For example, the aim of the dialogue with investee companies is to address ESG issues in a targeted manner, identify potential areas for improvement and increase ESG data transparency. This supports companies in their development of an ESG strategy.

Employee feedback has shaped workplace practices and corporate culture, while policyholder input has influenced the development of new sustainable insurance products in underwriting.

The feedback from investors is incorporated into VIG's business strategy.

This dialogue shows that policyholders place importance to quality, reliable service and the inclusion of sustainability features in insurance products. Employees have access to career development opportunities, inclusive workplace practices, and the company's commitment to social and environmental responsibility. Investors are particularly concerned with financial performance, risk management and the incorporation of environmental, social and governance criteria into business practices. The task of the supervisory authorities is to monitor compliance with legal regulations. Stakeholders in general are paying greater attention to VIG's contribution to environmental protection and ethical business conduct.

The dialogue with stakeholders has driven the development of sustainability-oriented products such as unit-linked life insurance that invest in funds with ESG characteristics and investments in green bonds, as well as the integration of sustainability criteria into investment and underwriting processes. In addition, numerous initiatives for employees, for example improving diversity and integration in the workplace, are being implemented. Furthermore, VIG has set itself the target of achieving net-zero emissions by 2050, despite the obvious challenges arising from the transformation itself and the limited direct influence of VIG (see also SBM-1 "Strategy, business model and value chain").

The findings from this dialogue are incorporated into various actions. Among other, this includes the further development of IT security and data protection aspects. In addition, the multi-channel distribution approach, which includes direct sales, brokers, agents, bancassurance partnerships and digital platforms, has been further optimised to ensure comprehensive customer care and accessibility. Further information can be found in chapter SBM-1 "Strategy, business model and value chain".

In the future, VIG will continue to focus on digital innovation as part of its sustainability efforts. The aim is to increase the use of digital platforms in order to improve interaction with customers and increase its market reach. This includes the development of new digital tools and services that offer policyholders added value. Further process simplifications and automations are also planned to boost productivity and efficiency and thus enhance customer service. As part of its approach to engagement, VIG plans to support its sustainability objectives by motivating investee and potential investee companies, among others, to also commit to achieving net-zero greenhouse gas emissions by 2050, to set medium-term reduction targets (2025–2030) and to develop decarbonisation strategies in line with the Paris Agreement. Further steps planned include promoting risk literacy in VIG markets and, if appropriate, updating VIG's sustainability programme in 2025, taking into account the results of the double materiality assessment. No further initiatives are currently planned.

VIG Holding ensures that the Managing Board and Supervisory Board are well informed about stakeholders' views regarding sustainability-related impacts by taking a structured and comprehensive approach, which is described under GOV-2 "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies".

DISCLOSURE REQUIREMENT SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The following overview describes the material impacts, opportunities and risks in VIG's value chain arising from the double materiality assessment in 2024. Details of the results are described below the table.

ESRS topic	ESRS sub-topic	IRO	Value chain
ESRS E1	Climate change mitigation	Impacts	Internal operations
		Impacts, risks, opportunities	Underwriting: Corporate / Retail, Asset Management
	Climate change adaptation	Impacts, risks, opportunities	Underwriting: Corporate / Retail
		Risks	Asset Management
	Energy	impacts	Internal operations, Asset Management
		Opportunities	Underwriting: Corporate / Retail
ESRS S1	Working conditions	Impacts	Internal operations
	Equal treatment and opportunities for all	Impacts, opportunities	Internal operations
	Other work-related rights	Impacts	Internal operations
ESRS S4	Information-related impacts on consumers and/or end-users	Impacts, risks	Underwriting: Retail
	Personal safety of consumers and/or end-users	Impacts, risks	Underwriting: Retail
	Social inclusion of consumers and/or end-users	Impacts, opportunities	Underwriting: Retail
ESRS G1	Corporate culture	Impacts, risks	Internal operations, Underwriting (Corporate/Retail), Asset Management
	Corporate culture	Risks	Underwriting: Corporate
	Protection of whistle-blowers	Impacts	Internal operations
	Political influence and lobbying activities	Impacts	Internal operations
	Corruption and bribery	Impacts, risks	Internal operations
	Corruption and bribery	Risks	Underwriting: Corporate
	Corruption and bribery	Impacts, risks	Asset Management
	Company-specific disclosures	Impacts	Internal operations

Impacts in the value chain

In internal operations, ESRS E1 "Climate change", ESRS S1 "Own workforce" and ESRS G1 "Business conduct" were identified as material topics. The positive impacts in the sub-topics of ESRS E1 "Climate change mitigation", "Climate change adaptation" and "Energy" include the contribution to decarbonisation through the increased use of renewable energies and energy-saving measures, while negative impacts arise from greenhouse gas emissions from internal operations. Good working conditions and respect for employees' rights, such as freedom of association and social dialogue, are the basis for respectful and fair cooperation. Several positive impacts were also identified in ESRS S1 "Own workforce/Working conditions". This includes improving the satisfaction of VIG employees by offering appropriate remuneration as well as additional individual offers such as childcare, healthcare and flexible working hours, which go beyond the statutory provisions. These actions contribute to increased motivation and well-being and also improve employees' life balance. In the sub-topic ESRS S1 "Equal treatment and opportunities for all", the impact lie in the promotion of diversity, equality and inclusion as well as in the support given to the professional and personal development of employees through training and development measures. Under ESRS S1 "Other work-related rights", the material impacts identified were the contribution to the protection of (international) human rights (e.g. child labour and forced labour) through the Code of Business Ethics applicable to all VIG employees and the guarantee of data protection through compliance with the General Data Protection Regulation (GDPR) and local data protection regulations. Vienna Insurance Group rejects all forms of corruption and bribery as described in the Code of Business Ethics. Further details can be found under MDR-P "Policies adopted to manage material sustainability matters".

In underwriting for corporate and retail customers, all ESRS E1 sub-topics—climate change mitigation, climate change adaptation and energy—were identified as key impacts. In underwriting for corporate customers, the topic ESRS G1 "Business conduct" is included, while for retail customers ESRS S4 "Consumers and end-users" is also listed. In the area of ESRS E1 “Climate change”, greenhouse gas emissions from insured properties are the primary negative impacts for both retail customers and corporates, while awareness-raising measures among policyholders and climate-friendly products can make a positive contribution. For ESRS S4 “Consumers and end-users”, the focus was on providing clear and understandable information, improving living conditions by offering private health insurance and ensuring robust data protection. Further information can be found in the declarations “Responsible Insurance in Corporate Business” and “Responsible Investment”. These are described starting on page 116.

Material impacts in asset management can be found in the sub-topics ESRS E1 “Climate change mitigation”, “Climate change adaptation” and “Energy” as well as in ESRS G1 “Corporate culture”. Related to the greenhouse gas emissions, VIG is committed to reducing emissions in its investment portfolio to net zero by 2050, and thereby enabling sustainable projects such as green buildings, renewable energy, and green transportation. The negative impacts arise from investments in fossil fuels, sectors with a high level of greenhouse emissions and companies that rely heavily on non-renewable energies.

Risks in the value chain

The main risks in internal operations are related to ESRS G1 “Business conduct”. These include the potentially inadequate application of ESG disclosure requirements, insufficient sustainability data for reporting (e.g. greenhouse gas emissions), and the consequences of potentially inadequate IT security measures and privacy breaches, which can result in reputational damage.

In underwriting, there are risks in relation to ESRS E1 “Climate change” and the sub-topics “Climate change mitigation” and “Climate change adaptation”. These factors result in a higher claims frequency due to more frequent natural disasters and changing weather patterns, which can affect both corporate and retail customers. The risks for retail customers in ESRS S4 “Consumers and end-users” include the inadequate protection of policyholders’ personal data, possible reputational damage due to potentially misleading communication regarding “green” products (greenwashing), and data protection requirements in internal operations. Under ESRS G1 “Business conduct”, there is a risk in the corporate business in connection with the insurance of companies, which is integrated into the relevant business processes by VIG in accordance with the “Responsible Insurance” declaration. Further information can be found in ESRS E1-2 “Policies related to climate change mitigation and adaptation”.

In asset management, risks in the area of ESRS E1 “Climate change” include the risk of default or a decline in the credit rating of debtors due to the increase in extreme events (weather, natural disasters). The loss of the value of investments due to transition risks, such as a change in the long-term regulatory environment, or reputational damage due to negative media coverage, are further risks in the area of ESRS E1 for investments. In ESRS G1 “Business conduct”, there is a risk of reputational damage due to investments in non-sustainable companies or companies with negative environmental practices.

Opportunities in the value chain

In internal operations, opportunities have been identified in ESRS S1 “Equal treatment and opportunities for all” through the implementation of a diversity strategy that increases VIG’s attractiveness as an employer while improving the quality and inclusiveness of its teams by ensuring equal opportunities regardless of personal background.

In both the retail and the corporate business, the growing demand for sustainable and socially acceptable solutions may offer opportunities in ESRS E1 “Climate change adaptation” and “Energy” as interest in insurance coverage for green technologies, renewable energy projects and low-carbon solutions increases, which is also in line with EU-wide efforts to combat climate change. Furthermore, in ESRS S4 “Consumers and end-users”, demographic change.

and changing health needs are leading to higher demand for private health insurance products and an expanded range of services for policyholders. The need for long-term financial security is also increasing the interest in private pension products that address policyholders' evolving priorities.

In asset management, the opportunities in ESRS E1 "Climate change" lie in the expansion of investments in green bonds, which enable VIG to finance sustainable projects while strengthening its commitment to sustainable goals.

As a company-specific topic, social engagement has been identified as a material opportunity for VIG. This benefits society and it is described in more detail in chapter ESRS G1 "Business conduct" as social engagement is implemented within the framework of clearly defined corporate guidelines. Detailed information on the impacts, risks and opportunities of the value chain areas is provided in the relevant ESRS topic chapters (see ESRS E1 "Climate change", ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users", ESRS G1 "Business conduct").

In recent years, VIG's main impacts, risks and opportunities have already influenced the business model, value chain, strategy and decision-making processes. VIG's sustainability programme should be mentioned in particular in this context. This programme has built on previous findings to integrate sustainability into the core business strategy. Both the strategic programme and the principles for responsible insurance and investment are described in more detail in chapter ESRS E1-2 "Policies related to climate change mitigation and adaptation".

VIG's business activities have both positive and negative impacts on people and the environment. In internal operations, underwriting and asset management, these are linked to climate change. VIG has a positive impact in terms of improving employee well-being, promoting diversity and creating a more inclusive work environment. The avoidance of corruption and bribery is addressed in corresponding Group-wide regulations such as the Code of Business Ethics. This also has a positive impact on underwriting and asset management, such as the insurance of renewable energy products.

VIG recognises that material impacts — whether environmental, social, or governance-related — are deeply intertwined with its strategy and business model. These impacts are both a result of and a driver for setting priorities. The impacts on the environment are a crucial driver of VIG's focus on environmentally friendly solutions and net-zero targets.

The time horizons vary for the identified impacts. In the area of "internal operations", VIG aims to reduce greenhouse gas emissions in the short to long term. As working conditions are already at a high level, it is expected that the additional actions taken to promote diversity will have positive social impacts in the short term and will further strengthen employee satisfaction and retention in the long term.

In underwriting, it can be assumed that the positive impacts of climate-conscious products will gain in importance in the medium to long term, as the awareness of climate risks among policyholders is growing. The negative impacts of underwriting carbon-intensive industries will be reduced in the short to long term, as VIG increasingly focuses on lower-emission policyholders and those with transition strategies.

In the area of asset management, it is expected that the positive impacts of sustainable investments will already materialise in the short term. Furthermore, the risks of negative impacts such as those from investments in high-carbon industries are expected to be minimised in the short term, as VIG continues to orient its portfolio towards greener assets.

VIG addresses material impacts directly through its internal operations and indirectly through business relationships in its underwriting and investment activities. These are described in more detail under "Impacts in the value chain".

There are risks and opportunities for VIG in its internal operations and in underwriting and asset management. Operational risks include insufficient ESG disclosures, a lack of sustainability data for reporting purposes, and possible IT security breaches that could result in data losses and harm to VIG's reputation. Identifiable climate risks are included in the best estimate of technical provisions by way of rate-setting and reserve allocations. In forecasts, these identifiable climate risks are implicitly taken into account in the expected value of cash flows and in the solvency capital requirement applied for the impairment test (see chapter 25.5 "Goodwill" in the notes to the consolidated financial statements). Asset management may involve companies that do not actively monitor their environmental impacts. This can lead to market and reputation risks. In the future, these risks may lead to a reduction in the fair values of assets and consequently, where applicable, to impairment losses to be recognised in the separate and consolidated financial statements. The valuation process for determining the fair value of financial assets is described in chapter 25.9 "Calculation of fair value".

Non-sustainable investments may be subject to impairments due to changes in market requirements or regulatory requirements. Therefore, in the medium and long term, the focus will be on integrating sustainable strategies more closely into investment decisions. Climate-related risks, such as increasing insurance claims from extreme weather events, will lead to adjustments in underwriting practices and reserve allocations in connection with changed claims experience. These risks and opportunities are actively monitored by the actuarial function in order to ensure consistency with sustainability risks and financial resilience. Climate change as a relevant risk for VIG is a material topic across the entire value chain.

On the basis of the Company's own business and capital planning, the overall regulatory solvency requirement is projected together with the solvency capital requirements and the available capital base over the entire planning period. The extent to which possible deviations from the planned business development affect VIG is determined on the basis of appropriate stress tests or scenario analyses. This is to ensure that even in the event of adverse business developments VIG will have access to sufficient capital in the short, medium and long term to cover its own liabilities and that regulatory solvency capital requirements can be met at all times.

The knowledge gained from the projections and regulatory stress tests, together with other internal analysis results, form the basis for the definition of strategic actions. In the course of reporting to the VIG Holding Managing Board, the preliminary results are discussed and the business planning of VIG is adjusted if necessary. The Managing Board reviews the strategic direction of VIG based on the results. It includes the business strategy, which defines the main principles to achieve the targets, a comprehensive risk strategy, which determines the appropriate risk management actions for material risks, and the capital strategy, which ensures sufficient own funds with a view to the defined risk-bearing capacity.

VIG has pursued a conservative reinsurance approach for many years and sees risk transfer through reinsurance in the non-life area, particularly in the area of natural disasters, as a key risk mitigation technique to protect against major and catastrophic events and any balance sheet volatilities. The reinsurance strategy is characterised by a conservative retention policy as well as the targeted selection and accompanying review of reinsurers. VIG insurance companies must follow a Security List defined by the Reinsurance Security Committee. The reinsurers that are not on this list require individual approval by the Reinsurance Security Committee. Concentration risk in the area of reinsurance is also mitigated by means of diversification.

In the first half of 2024, the European Insurance and Occupational Pensions Authority (EIOPA) conducted a Europe-wide stress test for the 48 largest insurance groups in Europe, consisting of a liquidity component and a capital component. While the capital component concerned insurance groups, the impacts of the liquidity component were analysed at the level of selected individual companies in these groups. The objective of the capital component was to analyse the resilience of the European insurance sector to adverse economic developments. The solvency ratio should be determined on the basis of a given scenario with market-specific and insurance-specific shocks as of 31 December 2023. VIG has a very solid solvency ratio in the given stress scenario. For the liquidity component, the shocks defined in the capital component should be applied to balance sheet items in the Group solvency balance sheet and the impact of those shocks on liquidity over a 90-day period, starting on 31 December 2023, should be analysed. The liquidity of the selected companies decreased in this context, largely due to the assumed cancellation of 20% of the life insurance portfolio. The liquidity outflow from this unlikely scenario can be covered by the sale of highly liquid assets in the VIG companies concerned.

This consolidated non-financial report reflects the first-time adoption of the CSRD/ESRS, which means that there is no comparison with the impact, risk and opportunity (IRO) disclosures from previous years. However, the 2023 VIG Sustainability Report already covers the material topics identified in the course of the double materiality assessment.

VIG reports on the requirements set out in the ESRS under ESRS E1 "Climate change", ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users" and ESRS G1 "Business conduct", as well as company-specific disclosures. These are described in chapter ESRS G1, as social engagement is implemented within the framework of clearly defined corporate guidelines.

Impact, risk and opportunity management

DISCLOSURE REQUIREMENT IRO-1 – DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

VIG has carried out its double materiality assessment in accordance with the structure of the three ESRS topical standards Environment, Social and Governance, which cover the sub-topics E1 to E5, S1 to S4 and G1. This was done using a structured approach in accordance with ESRS criteria, including a data model in the underwriting and investment portfolio, which analyses the positive and negative impact of sectors and their respective shares. This classification is based on widely available sources such as UNEP FI, WWF and other organisations and served as a basis for further discussion. Material topics at the Group level are reported by all fully consolidated subsidiaries according to their classification in the value chain.

Procedure for the double materiality assessment

In the first step, the content requirements of the topical standards according to the ESRS were analysed and identified. Since the standards were sector-independent at the time of implementation, it was examined on the basis of market standards such as SASB (Sustainability Accounting Standards Board) and GRI (Global Reporting Initiative) whether additional sustainability topics are relevant for VIG. In addition, company-specific topics were taken into account that were included in the 2023 Sustainability Report and in VIG's strategic programme. The value chain was then defined (see Section SBM-1 "Strategy, business model and value chain") and, based on existing documents, the relevant impacts, risks and opportunities (IROs) were assessed. The double materiality assessment was based on the insurance companies in the financial consolidation group, as they have the greatest influence both financially and in terms of sustainability.

As part of the process, the relevant areas of VIG Holding were identified and their roles were defined in relation to the double materiality assessment and the respective value chain. The assessment was carried out by expert decision-makers from the local insurance companies and VIG Holding. The results were then validated by internal and external experts and stakeholders as well as by all insurance companies of VIG. Following the adoption of a resolution on the results by the VIG Holding Managing Board, they were communicated to all managing board members of the VIG insurance companies for information.

Identification and assessment of impacts

For VIG, a distinction was made between impacts for corporates and for retail customers (private households and small and medium enterprises). A distinction was also made in underwriting between life and/or health insurance and non-life insurance. This distinction had no impact on the materiality threshold. In addition, asset management was considered separately. Furthermore, the impact of internal operations was assessed. The potential or actual impacts that VIG might have or already has on governance, the environment, and people, including the potential impacts on their human rights, through its own activities were analysed.

Internal stakeholders such as department managers from specialist departments throughout the value chain and contact persons from subsidiaries such as works councils were involved in the process. As external stakeholders, the Austrian Insurance Association, representatives of civil society (Vienna University of Economics and Business Administration) and NGOs were involved in the process. The consultation included a presentation of the ESRS standards, the double materiality assessment process and the results available, with a focus on the main topic relevant to the respective external stakeholders.

Potential and actual impacts were prioritised and evaluated as follows:

- Scale: how serious the negative impacts are or how beneficial the positive impacts are for people or the environment.
- Scope: the extent of the negative or positive impacts, for example the scope of the environmental damage or the number of people adversely affected.
- Irremediable character of the impact (only applies to negative impacts): whether and to what extent the negative impacts could be remediated, i.e. whether the environment or affected people could be restored to their prior condition.
- Likelihood (applies only to potential impacts): the likelyhood that a potential impact will occur.

All evaluations were carried out on a scale of 1 to 5, with the materiality threshold set at 3.

Identification and assessment of risks and opportunities

As part of the risk management process, the interactions between the activities and the associated environmental, social and governance aspects were analysed. This enabled risks and opportunities to be identified that could potentially have significant financial impacts on VIG. The criteria specified by the ESRS were used for the assessment of materiality.

The risks and opportunities were assessed in the same way as the impacts, without geographical restrictions, for internal operations as well as for underwriting and asset management.

The materiality of risks and opportunities was assessed on the basis of the likelihood of occurrence (from less than every ten years to more than 100 times a year) and the potential scale of the financial impacts (from insignificant to serious) associated with the risk or opportunity. Sustainability risks were identified on the basis of the existing VIG risk catalogue, which is collected as part of the regular risk inventory process (see GOV-5 “Risk management and internal controls on consolidated sustainability reporting”). Further risks were included on the basis of industry benchmarks. To assess the potential scale, percentages of VIG’s own funds were used in accordance with the approach defined in the Group-wide VIG risk management policy. The likelihood was also assessed on the basis of the likelihood of occurrence defined in this policy. The scenario analyses conducted as part of the Company’s internal risk analysis were an important input for the assessment of materiality. In addition, a Group-wide qualitative assessment of sustainability risks was taken into account as part of a secondary analysis (see also “Procedure for the double materiality assessment”). If it was not possible to quantify the risks and opportunities, the materiality of the risks and opportunities was assessed on a qualitative basis.

These risks, which have been identified in the double materiality assessment and discussed with Risk Management, are implicitly or in some cases explicitly taken into account throughout the Group as part of risk management practices. To ensure a structured approach to the identification of sustainability risks in Vienna Insurance Group and appropriately account for both perspectives, a Group-wide risk catalogue with explicit reference to sustainability risks has additionally been prepared in observance of the Guide for Managing Sustainability Risks published by the Austrian Financial Market Authority. Risks were handled and examined equally without prioritisation.

Processes, control and management procedures in connection with the double materiality assessment

The description of the regular reporting to the administrative, management and supervisory bodies in chapter GOV-2 "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" is also applicable to the double materiality. Internal control procedures are carried out by various committees. Further information can be found in GOV-1 "The role of the administrative, management and supervisory bodies". It is very important to VIG to be fully aware of all the risks to which it is exposed. The Group-wide risk inventory process supports the Company in its task of comprehensively identifying and appropriately assessing these risks. The results of the double materiality assessment have been discussed in detail with Risk Management. Detailed information is provided in chapter GOV-5 "Risk management and internal controls on consolidated sustainability reporting". The process also includes the systematic identification of potential opportunities, which have been evaluated in close cooperation with the VIG Holding departments. The identified opportunities were then presented and discussed in various committees (see GOV-1 "The role of the administrative, management and supervisory bodies"). This structured procedure takes all relevant perspectives into account and effectively integrates opportunities into strategic planning.

Various external data sources were used to carry out the double materiality assessment. These include SASB (Sustainability Accounting Standards Board), ISS ESG Rating (Institutional Shareholder Services), MSCI (Morgan Stanley Capital International), Sustainalytics, CDP (formerly Carbon Disclosure Project) and the World Economic Forum Global Risks Report. Some topics, such as responsible business conduct and claims processing, were assessed on the basis of a peer group analysis.

Compared to the materiality assessment from 2021, which was based on the inside-out approach, a double materiality assessment was carried out in accordance with both the inside-out and the outside-in approach for the first time in the reporting year. It thus enables a more comprehensive examination of the relevant topics.

DISCLOSURE REQUIREMENT IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S CONSOLIDATED NON-FINANCIAL REPORT

The disclosure requirements determined and followed in the preparation of the consolidated non-financial report on the basis of the results of the evaluation of the double materiality assessment, including the page numbers containing the corresponding information in the consolidated non-financial report, can be found on page 57. In addition, the following provides information on datapoints in ESRS 2 and in the topical standards that derive from other EU legislation, as well as requirements under the topical ESRS, which must be taken into account when reporting the disclosure requirements in ESRS 2.

List of datapoints in general and topical standards that derive from other EU legislation. Non-material or non-reported datapoints are shown accordingly in the first column.

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[5)], Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[6)] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818[7)], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)
Not applicable: ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2	
ESRS E1-4 Targets for reducing GHG emissions, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1			
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1			
Not applicable: ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1			
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	
Not applicable: ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)
Not reported, as phase-in: ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	
Not reported, as phase-in: ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.		
Not reported, as phase-in: ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral		

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
Not reported, as phase-in: ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II	
Not material: ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1			
Not material: ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1			
Not material: ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table 2 of Annex 1			
Not material: ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1			
Not material: ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1			
Not material: ESRS E3-4 Total water consumption in m^3 per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1			
Not material: ESRS 2 – IRO-3 – E4, paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1			
Not material: ESRS 2 – IRO-3 – E4, paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1			
Not material: ESRS 2 – IRO-3 – E4, paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1			
Not material: ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1			
Not material: ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1			

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
Not material: ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1			
Not material: ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1			
Not material: ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1			
ESRS 2 SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I			
ESRS 2 SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I			
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I			
ESRS S1-1 workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I			
ESRS S1-3 grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I			
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I			
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I			
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
Not material: ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I			
Not material: ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
Not material: ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1			
Not material: ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
Not material: ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II	
Not material: ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex 1			
Not material: ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
Not material: ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	

Disclosure Requirement and related datapoint	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]
Not material: ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1			
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1			
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1			
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Standards of anti- corruption and anti- bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1			

1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financia services sector (OJ L 317, 9.12.2019, p. 1).
2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).
3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
5) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with regard to the explanation in the benchmark statement of how environmental, social and governance factors are taken into account in each benchmark that is made available and published (OJ L 406, 3.12.2020, p. 1).
6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 with regard to the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).
7) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with regard to minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Disclosure and Application Requirements in topical ESRS that are applicable jointly with ESRS 2 General Disclosures:

ESRS 2 Disclosure Requirement		Paragraphs in the consolidated non-financial report	
GOV-1	The role of the administrative, management and supervisory bodies	ESRS G1.GOV-1	The role of the administrative, management and supervisory bodies (Article 5)
GOV-3	Integration of sustainability-related performance in incentive schemes	ESRS E1.GOV-3	Integration of sustainability-related performance in incentive schemes (Article 13)
SBM-2	Interests and views of stakeholders	ESRS S1.SBM-2	Interests and views of stakeholders (Article 12)
		ESRS S4 (Article 8) in ESRS 2 SBM-2	Interests and views of stakeholders (Article 12)
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model (Articles 18 and 19)
		ESRS S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model (Articles 13 to 19)
		ESRS S4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model (Articles 9 to 12)
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities (Articles 20 and 21)
		ESRS G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities (Article 6)

In accordance with ESRS 1 Section 3.2 on the identification of material information, VIG has applied a structured evaluation process, which is described in chapter IRO-1 “Description of the process to identify and assess material impacts, risks and opportunities”. The combination of these inputs ensures that the disclosed information is relevant, comprehensive, and aligned with current priorities and future considerations.

The double materiality assessment is an ongoing process, with a scheduled revision every three years or sooner if significant market or regulatory changes occur. This is evaluated annually. In addition, VIG monitors emerging issues such as developments in regulatory matters so that they can be taken into account accordingly.

MINIMUM DISCLOSURE REQUIREMENT – MDR-P – POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS

The following chapter provides an overview of the Group-level and Holding-level policies or guidelines and other requirements of VIG that are relevant for more than one material topic. In addition, reference is made to this chapter in the respective topic chapters, if applicable. Requirements that are only relevant for one topic chapter are only described in the respective chapter.

VIG’s mission statement, which provides employees with guidance in their day-to-day activities, is of overarching relevance across all topics. The vision of VIG is:

- 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.
- We pursue a customer-oriented and long term-oriented business strategy in our markets.
- We invest sustainably and make a valuable contribution to the positive development of the insurance markets in which we operate.
- We offer our customers security and reliability.

The strategic objectives and management principles are described in the chapter “Strategic principles” starting on page 10 of the Group Annual Report.

VIG strategic programme and sustainability programme

VIG's strategic programme and sustainability programme are related to ESRS E1 "Climate change", ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users", ESRS G1 "Business conduct" and "Additional entity-specific disclosures". With the involvement of members of the managing boards of the Group companies, the management of VIG Holding has developed the VIG 25 strategic programme for the period 2021 to the end of 2025. This will be updated in 2025. The VIG sustainability programme defines the six spheres of impact: asset management, underwriting, internal operations, employees, customers and society. Based on insurance industry trends, VIG sets targets and formulates actions that focus on financial stability and profitability, customer proximity, sustainability and market growth. Within the scope of the VIG 25 strategic programme, VIG has also developed a sustainability programme (see page 14 of the Group Annual Report), which aims to further strengthen the importance of sustainability as an integral element and foundation of the Group's business model and thus ensure the Group's future success. One of the ways in which sustainability has been integrated into the business processes is through the "Responsible Insurance" and "Responsible Investment" declarations, which are described in more detail in ESRS E1-2 "Policies related to climate change mitigation and adaptation". The scope of the strategic and sustainability programmes includes all VIG (re)insurance companies and non-insurance companies. Specific policies and guidelines are implemented locally through the sustainability programme with support from the Group Sustainability Office in collaboration with the subsidiaries. VIG's approach, including the "Responsible Investment" dec-laration and "Responsible Insurance" declaration, is publicly available on VIG's website group.vig/en. For more information, see "Disclosures stemming from other legislation or generally accepted pronouncements on the consolidated non-financial report".

VIG Holding is currently working to support the insurance companies in implementing the requirements of the sustainability programme in the best possible way, particularly with regard to decarbonisation options. To this end, discussions were held with the insurance companies under the leadership of the Group Sustainability Office in the reporting year. The focus was primarily on presenting the steps required for the local implementation of the sustainability programme and the development of emission reduction actions.

United Nations Global Compact

The United Nations Global Compact (UNGC) is referenced in connection with ESRS E1 "Climate change", ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users" and ESRS G1 "Business conduct". VIG joined the UNGC, the world's largest initiative for corporate responsibility and sustainability, in 2021. VIG is therefore committed to the ten universal principles of the UN Global Compact on Environment, Labour, Human Rights and Anti-Corruption. Once a year, VIG publishes its Communication on Progress in the corresponding UN Global Compact portal. By doing so, VIG declares its continued support of the network and discloses its sustainability efforts (see also SBM-1 "Strategy, business model and value chain").

Code of Business Ethics

The Code of Business Ethics is referenced in connection with ESRS E1 "Climate change", ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users", ESRS G1 "Business conduct" and "Additional entity-specific disclosures". It is a Group guideline based on the VIG mission statement and the values of diversity, customer proximity and responsibility. It 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. The code contains the following 15 principles: 1) Compliance with legal, regulatory and internal provisions, 2) Protection of human rights, 3) Diversity and inclusion, 4) Environmental protection, 5) Healthy and safe workplace, 6) Protection of company property, 7) Prevention of conflicts of interest, 8) Prevention of corruption and bribery, 9) Data protection, 10) Management of confidential information, 11) Fair competition, 12) Prevention of market abuse, 13) Prevention of money laundering, financing of terrorism and breaching of international sanctions, 14) Fair and professional treatment of customers and 15) Reliable communication. Additional, Group-wide regulations may apply to individual areas of the code, such as procurement, international sanctions, and money laundering prevention.

The code was approved by the VIG Holding Managing Board and must be implemented at the level of the Group companies on the basis of a Managing Board resolution. It applies to all VIG (re)insurance companies, including VIG Holding, as well as to all asset management companies and pension funds, whether or not they are based within the European Union or outside of it, provided that VIG Holding (directly or indirectly) holds more than 50% of the shares. These Group companies are themselves responsible for the appropriate and effective implementation of the code and proper communication of the code to all employees. This also includes training sessions given in the Group companies. Each one of the companies mentioned must determine, on the basis of a risk-oriented approach, which of their subsidiaries fall within the scope of the Code of Business Ethics and ensure that it is implemented accordingly. It is therefore also implemented in some non-insurance companies. The code is reviewed annually to ensure that it is up to date and, if necessary, adapted by Compliance (incl. AML) of VIG Holding. Local compliance officers or Compliance (incl. AML) of VIG Holding offer guidance on these matters and on reporting channels compliant with local regulations that can be used to report perceived misconduct (see chapter G1-1 “Business conduct policies and corporate culture”). The code of conduct applies to all employees, regardless of their position in the Company. Furthermore, it calls for customers and business partners to also behave in accordance with the principles of the code of conduct. The Code of Business Ethics is available online on the Group-wide Intranet and publicly at https://group.vig/en/cobe.

Whistleblowing

Whistleblowing in Vienna Insurance Group is material in the context of ESRS E1 “Climate change”, ESRS S1 “Own workforce”, ESRS S4 “Consumers and end-users”, ESRS G1 “Business conduct” and “Additional entity-specific disclosures”. In VIG Group, requirements for dealing with whistleblowers are often implemented in local governance documents and in accordance with the local legal framework, including in all insurance companies, with some exceptions in Albania, Georgia, Kosovo, Moldova, North Macedonia and Türkiye. Appropriate actions have also been taken in individual non-insurance companies. In addition to a guideline on this subject, a VIG Whistleblower Portal (whistleblower-portal.vig) has been set up at VIG Holding as an internal reporting channel by which perceived violations of the regulations mentioned in the Austrian Whistleblower Protection Act (Hinweisgeber:innenschutzgesetz) can be reported at any time — including anonymously. Perceived violations in other legal areas can be reported to a dedicated email address (whistleblowing@vig.com) and to Compliance (incl. AML) of VIG Holding by post. For more information on handling tips and possible compliance violations, see the ESRS G1 “Business conduct” section below.

Risk management

The VIG Group Policy Risk Management is primarily material for ESRS E1 “Climate change”, ESRS S4 “Consumers and end-users” and ESRS G1 “Business conduct”. It defines ten risk categories which cover all possible sources of risk, including sources connected to sustainability risks/ESG factors (environment, social and governance). The overall responsibility for the risks assumed by VIG lies with the VIG Holding Managing Board. The responsibility for the risks assumed by the local companies lies with the local managing boards. Within every company, the risk owners for each risk category or sub-risk category are defined during the risk inventory process in order to ensure clear responsibilities. The policy is an essential component of the (risk) management framework within Vienna Insurance Group. The scope of the policy covers all VIG (re)insurance companies, including VIG Holding, as well as all asset management companies and pension funds. The document is based on Articles 44 and 246 of the Solvency II Directive and Article 259 of the Delegated Regulation on Solvency II.

Data protection

VIG's and VIG Holding's Data Protection guidelines are referenced in connection with ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users" and ESRS G1 "Business conduct". In both the Company's own interest and in the interest of all policyholders, business partners and employees, great importance is given to the protection of confidential information (business and trade secrets) as well as compliance with statutory data protection regulations (particularly the EU General Data Protection Regulation/GDPR). The Data Protection Officer at VIG Holding is responsible for the establishment of a data protection management system in the Company and for monitoring compliance with the GDPR and other data protection-relevant regulations. She reports directly to the VIG Managing Board, both on an annual and ad hoc basis. From an organisational point of view, the VIG Holding Data Protection Officer is integrated into Compliance (incl. AML) of VIG Holding which supports her in the fulfilment of her tasks. The Data protection management department in the operational organisation provides support, particularly on awareness measures and data protection issues that are related to the operational organisation. The VIG Holding Data Protection guideline is aimed at all employees of VIG Holding, including those in the branch offices. The regulations and requirements apply to the office workplace, the home workplace and mobile working. A data protection management system has also been set up at the Group level. It is continuously developed, controlled and monitored by the VIG Group Data Protection Coordinator, who is also the Data Protection Officer of VIG Holding. The core elements are a Group-wide data protection guideline, a reporting process defined in detail and ongoing training measures for local data protection responsible persons on data protection topics. In addition, the VIG Group Data Protection Coordinator conducts ad hoc monitoring activities when required to ensure a consistent, Group-wide minimum standard in data protection matters.

IT Security

The VIG Group Guideline IT Security is relevant to ESRS S1 "Own workforce", ESRS S4 "Consumers and end-users", and ESRS G1 "Business conduct". It applies to all VIG insurance companies (including reinsurance) and to all VIG non-insurance companies providing any IT support for insurance companies (i.e. IT service providers), provided that they have their own IT organisation and do not use an IT environment that is shared with affiliated insurance companies in which VIG directly or indirectly holds the majority of shares. The companies are responsible for ensuring that their subsidiaries and branch offices comply with the provisions of this guideline. This guideline is based on ISO/IEC Standard 27001. It defines the basic obligatory measures for establishing effective controls for electronic information and data, information systems and computer applications, as well as computer, telecommunications, and network facilities and equipment. It also defines the basic obligatory measures for preventing the loss of confidentiality, integrity and availability. All employees and, where relevant, contractors receive IT security training suitable for their job functions.

Procurement principles

The VIG Group Guideline Procurement Principles and the corresponding Holding guideline are relevant to ESRS S1 "Own workforce" and ESRS G1 "Business conduct". They relate to any kind of engagement of service providers and suppliers. As laid down in the Code of Business Ethics, VIG complies with all legal requirements that are applicable to its business activities. This includes respecting the fundamental principles of human rights and environmental protection. Therefore, all the Group's insurance companies, pension funds and asset management companies—and, if defined on the basis of a risk-oriented approach, also non-insurance companies—must take suitable due diligence measures with regard to (potential) service providers or suppliers. Certain minimum standards are defined for these measures. The due diligence measures must ensure compliance with legal obligations (such as screening in connection with international sanctions) as well as the consideration of human rights, labour law, health and safety, environment and integrity/ethics by the suppliers.

Asset management

The VIG Group Policy Asset Management is relevant to ESRS E1 “Climate change” and ESRS G1 “Business conduct”. This policy applies to the management of all types of assets and transactions, including but not limited to securities (equities, bonds and investment funds), loans and advances, term deposits, financial derivatives, real estate and participations. In addition, this Group-wide policy integrates sustainability matters and requires compliance with VIG’s environmental, social and governance (ESG) requirements, as well as compliance with regulatory requirements. It applies to all of VIG’s operational insurance and reinsurance companies, including VIG Holding. The Group-wide policy is also in line with VIG’s “Responsible Investment” ESG strategy, which prescribes the integration of environmental, social, governance and human rights aspects into investment processes. The perspectives of key stakeholders are given careful consideration in this context. The aim is to reconcile economic objectives with social and environmental responsibility and to reflect the Group’s commitment to sustainable investments. It is publicly available and can be found on the following website: https://group.vig/en/sustainability/downloads/.

Professional training and development

The VIG Holding professional training and development guideline according to IDD is relevant to ESRS S1 “Own workforce”, ESRS S4 “Consumers and end-users” and ESRS G1 “Business conduct”. The European Insurance Distribution Directive (IDD) requires insurance and reinsurance companies in the EU to ensure that all persons involved in insurance and reinsurance distribution, either directly or in a managerial capacity, have the knowledge and skills required for the proper performance of the tasks assigned to them with regard to the activities carried out and the products sold. The objectives of the IDD include: protection of policyholders, improvement of consumer protection, and minimum European harmonisation in the distribution of insurance products. In addition to regulations on products and advice, it contains binding specifications for all insurance and reinsurance companies with regard to the training and development of all employees directly involved in sales and in a managerial role. This is to ensure that policyholders receive the best possible advice. At VIG Holding, this is ensured by the professional training and development guideline in accordance with the IDD, among other measures.

Remuneration

The VIG Group Policy Remuneration is referenced in the context of ESRS S1 “Own workforce” and indirectly also has an influence on G1 “Business conduct”. Working hours, required qualifications, as well as the duties and responsibilities of the position in question are all taken into account when setting remuneration levels. It is ensured that the salary does not fall below the minimum wage stipulated under national law or existing collective bargaining agreements. If a variable remuneration component has been agreed, the targets that determine the amount of variable remuneration are transparent and agreed once per year. All insurance and reinsurance companies of VIG in the EU and Liechtenstein are obliged to apply the policy in full. Other insurance and reinsurance companies not domiciled in the EU or Liechtenstein, as well as non-insurance companies consolidated fully or at equity, in accordance with the Group-wide “HR Non-Insurance” guideline, are obliged to comply with national law and the basic standards in accordance with specific requirements as a minimum requirement. The remuneration policy must be reviewed and updated annually by VIG Human Resources if adjustments are necessary on account of changes to the regulatory environment or for internal reasons. VIG takes all relevant statutory requirements into account when setting out and applying the policy.

Fit & Proper

The VIG Group Policy Fit and Proper policy is relevant to ESRS S1 “Own workforce”, ESRS S4 “Consumers and end-users" and G1 "Business conduct". The qualification of persons in key functions is an important factor for the success of insurance and reinsurance companies. It defines on the one hand whether a person is fit, i.e. whether they have the necessary professional skills and knowledge, and on the other hand whether they meet the standards for personal reliability and integrity. All insurance and reinsurance companies of VIG in the EU and Liechtenstein are obliged to apply this policy in full. Other insurance and reinsurance companies not domiciled in the EU or Liechtenstein, as well as non-insurance companies consolidated fully or at equity, as described in the Group-wide "HR Non-Insurance" policy, are obliged to comply with national law and generally defined standards on topics such as discrimination, training and conflicts of interest as a minimum requirement. The VIG Group Policy Fit & Proper must be reviewed and updated annually if adjustments are necessary on account of changes in the regulatory environment or for internal reasons. VIG Human Resources is responsible for the adequacy of this document.

Compliance management

The VIG Group Guideline Compliance Management System is mainly related to ESRS G1 "Business conduct", but it also affects all other material areas. The guideline provides minimum requirements and standards for the implementation of a compliance management system as an integral part of an effective Group-wide governance system and fulfils the requirements for a compliance policy according to Art 270 of Commission Delegated Regulation (EU) 2015/35, Art. 10 of Commission Directive 2010/43/EU and Art. 61 of Commission Delegated Regulation (EU) 2031/2013. It describes in detail how the compliance management system is set up at the local and Group levels, which tasks and responsibilities are fulfilled by the local compliance officers and persons responsible for compliance, and how the interaction between the Group and the local levels in the field of compliance is organised. Further details regarding the Group's compliance management system are governed by an additional Group-wide compliance management implementation guideline.

The VIG Group Guideline Compliance Management System policy also covers the authorisation to draft Group-wide guidelines on compliance-related topics in certain fields. It applies to all VIG (re)insurance companies, including VIG Holding, as well as to all asset management companies and pension funds, provided that VIG Holding (directly or indirectly) holds more than 50% of the shares.

All Group-wide requirements are formally approved by the full VIG Holding Managing Board (policies) or the responsible Managing Board members (guidelines) or heads of department or specific officers (work instructions) in accordance with the VIG Group document governance system and must be reviewed annually to ensure that they are up to date. Unless otherwise specified, the policies and guidelines are distributed to all persons or companies in the scope of application via VIG's Group-wide Intranet and published on the Group-wide Intranet. This ensures that the information is accessible to and usable by those who must comply with the regulations.

In ESRS E1 "Climate change", the internal risk analyses of the Group, including those relating to the natural disaster process, are relevant in addition to the above-mentioned requirements.

ESRS S1 "Own workforce" refers to VIG's diversity strategy in addition to the above-mentioned Group-wide requirements.

ESRS S4 "Consumers and end-users" also references the VIG Holding complaint management guideline.

ESRS G1 "Business conduct" references the Group-wide guideline on the prevention of money laundering and terrorist financing.

MINIMUM DISCLOSURE REQUIREMENT – ACTIONS MDR-A – ACTIONS AND RESOURCES IN RELATION TO MATERIAL SUSTAINABILITY MATTERS

Above all, the priorities defined in VIG's strategic programme and sustainability programme apply, which are described on page 12 of the Group Annual Report.

In order to specify the strategic focus areas, actions to achieve climate neutrality by 2030 in internal operations have been defined; they are described in chapters ESRS E1-2 “Policies related to climate change mitigation and adaptation” and E1-3 “Actions and resources in relation to climate change policies”.

In order to prevent any negative impacts arising from the violation of data protection regulations, a data protection management system has been established both at the level of VIG Holding and at the level of the local companies. The Data Protection Officer at VIG Holding is responsible for the establishment of a data protection management system in VIG Holding and for monitoring compliance with the GDPR and other data protection-relevant regulations. She reports directly to the VIG Holding Managing Board, both on an annual and ad hoc basis. From an organisational point of view, the VIG Holding Data Protection Officer is integrated into Compliance (incl. AML) of VIG Holding which supports her in the fulfilment of the tasks. A data protection management system has also been set up at the Group level. It is continuously developed, controlled and monitored by the VIG Group Data Protection Coordinator, who is also the Data Protection Officer of VIG Holding. The core elements are a Group-wide data protection guideline, a reporting process defined in detail and ongoing training measures for local data protection responsible persons on data protection topics. In addition, the VIG Group Data Protection Coordinator conducts ad hoc monitoring activities when required to ensure a consistent, Group-wide minimum standard in data protection matters. Further details can be found in ESRS 2 MDR-P “Policies adopted to manage material sustainability matters”.

In addition, the current version of the VIG Holding Fit & Proper Policy applies. The individual professional training measures are defined and implemented in close cooperation between Human Resources and the managers of the VIG Holding employees to be trained. Induction plans or training plans are available, to be drawn up by the relevant employees’ managers and implemented with the support of Human Resources.

VIG maintains regular dialogue with customers in order to define adequate actions and enable the Company to react appropriately to material negative impacts. Feedback mechanisms such as surveys, consultations with stakeholders or interactions with customer service support the process. This allows VIG to solve problems promptly and proactively. Satisfaction is measured in the local insurance companies primarily by means of specially defined metrics such as the Net Promoter Score (NPS) or the average duration of the claims settlement process. For further details, see ESRS S4-2 “Processes for engaging with consumers and end-users about impacts”.

In the reporting year, the Company took actions to further expand the prevention of corruption and to implement the requirements of the EU Whistleblower Directive. For more information, see G1-1 “Business conduct policies and corporate culture” and G1-3 “Prevention and detection of corruption and bribery”.

Metrics and targets

MINIMUM DISCLOSURE REQUIREMENT – METRICS MDR-M – METRICS IN RELATION TO MATERIAL SUSTAINABILITY MATTERS

Key metrics for measuring performance and target achievement are detailed in the topic-specific chapters under “Metrics and targets”. Material assumptions and estimates are described in the chapter “Value chain estimation” in ESRS 2 BP-2 “Disclosures in relation to specific circumstances”. There are currently no plans for external SBTi validation of the targets.

MINIMUM DISCLOSURE REQUIREMENT – TARGETS MDR-T – TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS

Through actions to reduce greenhouse gas emissions, VIG supports the objectives of the European Green Deal, which are aimed at minimising the impact of climate change and supporting the transition to a carbon-neutral economy. In addition, VIG undertakes to incorporate the Ten Principles of the UN Global Compact on Human Rights, Labour, Environment and Anti-Corruption in its business activities.

This commitment is in line with the OECD Guidelines for Multinational Enterprises, which promote responsible business and ensure compliance with international standards.

VIG's strategic objectives are described in its strategic programme and sustainability programme in the Group Annual Report from page 10 onwards. As described in SBM-1 "Strategy, business model and value chain", the concrete measurable target is to reduce greenhouse gas emissions to net zero in the defined spheres of impact by 2050. The base year for target achievement is 2023. The details are described in E1 "Climate change".

ENVIRONMENTAL INFORMATION

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

Key figures for investments under the EU Taxonomy Regulation
The EU Taxonomy Regulation is a classification system that specifies criteria for determining whether an economic activity qualifies as environmentally sustainable. The criteria are linked to six EU environmental objectives: Climate change mitigation, Climate change adaptation, Sustainable use and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, Protection and restoration of biodiversity and ecosystems.

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 or more of the six environmental objectives. Moreover, if the economic activity fulfils the defined technical screening criteria and does not significantly harm any of the other objectives, the economic activity is considered to be taxonomy-aligned. In addition, the criteria for minimum safeguards must be met. For insurance companies, special key figures have been defined which relate to the taxonomy-aligned proportion of investments and non-life insurance premiums.

MANDATORY REPORTING FOR INVESTMENTS
For VIG's assets, the Taxonomy Regulation requires that exposures from investment activities have to be analysed and disclosed with respect to their taxonomy eligibility and their taxonomy alignment. On this basis, the key figures are set out in accordance with Annex X to the Taxonomy Regulation. These key figures are to be provided as a percentage relative to total assets. VIG defines total assets as the sum of real estate holdings and financial instruments. Exposure to governments, central banks and supranational issuers was deducted from the recognised assets and/or the coverage ratio. The disclosures are made based on the Group solvency balance sheet and the key figures are based on the fair values as of the reporting date of 31 December 2024. Only assets that represent investments in economic activities are included in the taxonomy key figures. These investments essentially consist of all direct investments, including investments in collective investment undertakings, participations, loans, mortgages, real estate and tangible assets. If the EU Taxonomy Regulation does not make it clear which weighting should be used for the calculation of a key figure, then the key figure based on turnover will be applicable. This also applies to information on investments of unit- and index-linked life insurance where taxonomy alignment is indicated for both the numerator and the denominator. If information is directly available for determining the taxonomy eligibility and/or alignment 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 and/or alignment. Real estate holdings and other direct investments in non-financial assets were assessed using a separate measurement method to determine taxonomy eligibility and/or alignment.

Real estate under construction is also taken into account to the extent that it is reflected in the IFRS consolidated balance sheet either under the balance sheet item "Investment property" or under "Owner-occupied property and equipment". Their alignment has been determined based on the construction plans. If there is no data available for determining the taxonomy alignment of real estate or tangible assets, these are classified as non-taxonomy-aligned. Exposures to governments, central banks and supranational issuers are not included in the taxonomy-eligible economic activities. In VIG's view, this only applies to national governments, not to federal states, regions, municipalities, cities or communities. Derivative financial instruments are also not included when assessing taxonomy eligibility.

Additionally, exposures to companies that are not required to publish non-financial information under Directive (EU) 2022/2464 (CSRD) are also not included in the taxonomy key figures. These companies were identified using 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. Thus, only exposures to companies that are required to report non-financial information are reported as non-taxonomy-eligible.

As of the reporting date 31 December 2024, the EU Taxonomy alignment includes both financial and non-financial issuers for the first two objectives. For all other objectives, only taxonomy alignment for non-financial issuers is publicly available and considered in the reported key figures. The following table presents the investment key figures in accordance with the Taxonomy Regulation. In the reporting year, the proportion of investments related to the financing of Taxonomy-aligned economic activities was 3.59% based on turnover (previous year: 4.19%) and 4.69% based on CapEx (previous year: 5.49%). Information on activities in the fields of nuclear energy and fossil gas can be found on page 101 onwards.

THE PROPORTION OF THE INSURANCE OR REINSURANCE UNDERTAKING'S INVESTMENTS THAT ARE DIRECTED AT FUNDING OR ARE ASSOCIATED WITH TAXONOMY-ALIGNED IN RELATION TO TOTAL INVESTMENTS

Higher-level information on the KPIs

Explanatory notes on percentages	in %	Explanatory notes on Euro figures	in EUR million
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below	
Turnover-based:	3.59%	Turnover-based:	1,190.6
CapEx-based:	4.69%	CapEx-based:	1,553.6
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities. (Coverage ratio in %)	73.15%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. (in EUR)	33,160.2

Additional, complementary disclosures: breakdown of denominator of the KPI

Explanatory notes on percentages	in %	Explanatory notes on Euro figures	in EUR million
The percentage of derivatives relative to total assets covered by the KPI.	-0.13%	The value in monetary amounts of derivatives:	-41.8
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings:	12.35%	For non-financial undertakings:	4,096.4
For financial undertakings:	25.02%	For financial undertakings:	8,296.9
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	12.44%	For non-financial undertakings:	4,125.4
For financial undertakings:	9.41%	For financial undertakings:	3,121.2
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	
For non-financial undertakings:	11.51%	For non-financial undertakings:	3,815.4
For financial undertakings:	12.92%	For financial undertakings:	4,284.4
The proportion of exposures to other counterparties over total assets covered by the KPI:	16.47%	Value of exposures to other counterparties and assets:	5,462.2
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	0.65%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	215.5
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI:	16.64%	Value of all the investments that are funding economic activities that are not taxonomy-eligible:	5,517.7
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: (in %)	20.67%	Value of all the investments that are funding Taxonomy-eligible economic activities, but not taxonomy- aligned:	6,853.7

Additional, complementary disclosures: breakdown of numerator of the KPI

Explanatory notes on percentages	in %	Explanatory notes on Euro figures	in EUR million
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings turnover-based:	2.25%	For non-financial undertakings turnover-based:	747.6
For non-financial undertakings CapEx-based:	3.26%	For non-financial undertakings CapEx-based:	1,081.5
For financial undertakings turnover-based:	0.17%	For financial undertakings turnover-based:	56.3
For financial undertakings CapEx-based:	0.26%	For financial undertakings CapEx-based:	85.4
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned	
Turnover-based:	0.65%	Turnover-based:	215.5
CapEx-based:	0.88%	CapEx-based:	291.3
The proportion of Taxonomy-aligned exposures to other counterparties and assets in over total assets covered by the KPI		Value of taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based:	1.17%	Turnover-based:	386.7
CapEx-based:	1.17%	CapEx-based:	386.7

Breakdown of the numerator of the KPI by environmental objective – Taxonomy-aligned activities – provided "Do-no-significant-harm" (DNSH) and social safeguards are positive assessment

Environmental objective	Turnover in %	CapEx in %	Transitional activities Turnover (%)	Transitional activities CapEx (%)	Enabling activities Turnover (%)	Enabling activities CapEx (%)
1) Climate change mitigation	3.53%	4.52%	0.24%	0.27%	1.45%	2.03%
2) Climate change adaptation	0.05%	0.16%			0.08%	0.04%
3) The sustainable use and protection of water and marine resources	0.00%	0.00%			0.00%	0.00%
4) The transition to a circular economy	0.00%	0.00%			0.00%	0.00%
5) Pollution prevention and control	0.00%	0.00%			0.00%	0.00%
6) The protection and restoration of biodiversity and ecosystems	0.00%	0.00%			0.00%	0.00%

STANDARD TEMPLATES FOR DISCLOSURE PURSUANT TO ARTICLE 8(6) AND (7)

Template 1 – Nuclear and fossil gas-related activities

Row	Activities	Turnover KPI Yes/No	CapEx KPI Yes/No
	Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes	Yes
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes	Yes
	Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes	Yes

Template 2.1 – Taxonomy-aligned economic activities (denominator) – based on the turnover KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	172,537	0.00%	172,537	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3,597,748	0.01%	3,597,748	0.01%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	26,486,647	0.08%	26,486,000	0.08%	648	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	128,172	0.00%	128,172	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4,406,873	0.01%	2,589,785	0.01%	1,817,087	0.01%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	462,470	0.00%	462,470	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,154,095,989	3.48%	1,137,785,194	3.43%	16,310,795	0.05%
8.	Total applicable KPI	1,189,350,436	3.59%	1,171,221,906	3.53%	18,128,531	0.05%

Template 2.2 – Taxonomy-aligned economic activities (denominator) – based on the CapEx KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,115,130	0.00%	1,115,130	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	10,287,530	0.03%	10,287,530	0.03%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	19,609,838	0.06%	19,609,838	0.06%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	211,077	0.00%	211,077	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,271,353	0.01%	2,271,353	0.01%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,107,752	0.00%	1,107,752	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,517,638,441	4.58%	1,465,230,036	4.42%	52,408,406	0.16%
8.	Total applicable KPI	1,552,241,123	4.68%	1,499,832,717	4.52%	52,408,406	0.16%

Template 3.1 – Taxonomy-aligned economic activities (numerator) – based on the turnover KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	172,537	0.01%	172,537	0.01%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3,597,748	0.30%	3,597,748	0.30%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	26,486,647	2.23%	26,486,000	2.23%	648	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	128,172	0.01%	128,172	0.01%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4,406,873	0.37%	2,589,785	0.22%	1,817,087	0.15%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	462,470	0.04%	462,470	0.04%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	1,154,095,989	97.04%	1,137,785,194	95.66%	16,310,795	1.37%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**1,189,350,436**	**100.00%**	**1,171,221,906**	**98.48%**	**18,128,531**	**1.52%**

Template 3.2 – Taxonomy-aligned economic activities (numerator) – based on the CapEx KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,115,130	0.07%	1,115,130	0.07%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	10,287,530	0.66%	10,287,530	0.66%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	19,609,838	1.26%	19,609,838	1.26%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	211,077	0.01%	211,077	0.01%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2,271,353	0.15%	2,271,353	0.15%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1,107,752	0.07%	1,107,752	0.07%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	1,517,638,441	97.77%	1,465,230,036	94.39%	52,408,406	3.38%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	1,552,241,123	100.00%	1,499,832,717	96.62%	52,408,406	3.38%

Template 4.1 – Taxonomy-eligible but not taxonomy-aligned economic activities – based on the turnover KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	267,867	0.00%	267,867	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	568,832	0.00%	568,832	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	45,829,274	0.14%	45,829,274	0.14%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	92,057,739	0.28%	92,057,739	0.28%	0	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	56,612,750	0.17%	52,979,091	0.16%	3,633,658	0.01%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7,345,711	0.02%	7,345,711	0.02%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	5,874,064,261	17.71%	5,825,015,462	17.57%	49,048,799	0.15%
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**6,076,746,433**	**18.33%**	**6,024,063,975**	**18.17%**	**52,682,458**	**0.16%**

Template 4.2 – Taxonomy-eligible but not taxonomy-aligned economic activities – based on the CapEx KPI

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount (EUR)	%	Amount (EUR)	%	Amount (EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	228,401	0.00%	228,401	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,611,124	0.01%	2,611,124	0.01%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,900,682	0.01%	1,900,682	0.01%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	81,011,993	0.24%	79,255,131	0.24%	1,756,862	0.01%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	47,448,487	0.14%	47,448,487	0.14%	0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	13,887,923	0.04%	13,887,923	0.04%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	6,023,825,721	18.17%	5,954,308,151	17.96%	69,517,570	0.21%
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**6,170,914,331**	**18.61%**	**6,099,639,899**	**18.39%**	**71,274,432**	**0.21%**

Template 5 is not reported, as the activities listed therein are taxonomy-eligible by definitions, although the template is intended to show these activities as non-taxonomy-eligible, which is contradictory.

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

Insurance companies must also report the degree to which they are sustainable based on the EU Taxonomy for sustainable economic activities. This includes not only the proportion of taxonomy-aligned investments but also the proportion of taxonomy-aligned non-life insurance premiums.

VIG insurance companies ensure compliance with the Taxonomy Regulation (EU) 2020/852 in various ways, including through Group-wide requirements and an appropriate product development process.

As part of the sales process, which can also be carried out through brokers and other partners in addition to own sales workforce, VIG provides policyholders with relevant information on the coverage options. The insights gained from this process as well as the findings from market observation are incorporated into the product development process.

According to Annex II of Delegated Regulation 2021/2139, amended by the European Commission's sustainable finance package on 27 June 2023, only 8 of the 12 non-life insurance lines of business are generally taxonomy-eligible under Solvency II, as defined in Annex I of Delegated Regulation (EU) 2015/35. These insurance lines of business include 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. Only those insurance lines of business that also include coverage for climate-related risks as defined in Appendix A of the above-mentioned Annex II are to be classified as taxonomy-eligible.

The local insurance companies within the scope of the Taxonomy Regulation currently cover climate risks in the form of natural disaster cover. The natural disaster risks that are relevant under Solvency II are flooding, earthquakes, storms and hail. Since current scientific knowledge has not identified an increase in the earthquake risk as a result of climate change, earthquakes are generally not taken into account as part of this evaluation. Coverage for the remaining natural disaster risks exists mainly in the following three insurance lines of business: other motor insurance, marine, aviation and transport insurance, and fire and other damage to property insurance. These three insurance lines of business therefore form the basis for the taxonomy-aligned proportion of the non-life insurance premiums that has to be disclosed.

Article 3 of the Taxonomy Regulation (EU) 2020/852 stipulates that taxonomy-eligible insurance lines of business must fulfil the following requirements to be classified as a taxonomy-aligned proportion of the non-life insurance premiums:

- They make a substantial contribution to the achievement of one or more environmental objectives of the Regulation.
- They do no significant harm to one or more of the environmental objectives of the Regulation (DNSH or "Do No Significant Harm" criterion).
- The minimum safeguards laid down in Article 18 of the Regulation are adhered to.
- The technical screening criteria must be met.

The technical screening criteria are used to assess whether an insurance service makes a substantial contribution to the environmental objective "climate change adaptation". They include: leadership role when it comes to climate risk pricing and modelling; product design requirements; innovative solutions for insurance coverage; data sharing; high standards of service after natural disasters. All local insurance companies that provide climate risk coverage within an eligible line of business use a questionnaire to assess whether the criteria have been met. The completed questionnaires of the insurance companies are validated by VIG Holding and incorporated into the calculation for determining the taxonomy-aligned proportion of non-life insurance premiums.

Compliance with the DNSH criteria is assessed in VIG on the basis of NACE codes used throughout the Group, which are a recognised classification system for economic activities.

In addition, the minimum safeguards in accordance with Article 18 must be met. Compliance with minimum safeguards at VIG is ensured across multiple levels and in relevant value chain areas by means of Group-wide guidelines, a risk-based approach to counterparty screening, and a remediation process in place if a material risk is identified.

For the calculation of the taxonomy-aligned proportion of non-life insurance premiums, the gross written premiums are used for the numerator and denominator, as these are published in the Group Annual Report. For the calculation of the numerator, the EU Commission interpreted the information in Annex II of the Regulation in a Commission Notice (C/2024/6691) with questions and answers on the EU Taxonomy published on 8 November 2024 to the effect that only the part of the premium of a taxonomy-aligned insurance contract that relates to coverage of climate-related risks may be applied. Based on market practice and the report on the first-time publication, the premium split has been derived from the claim's history excluding major loss events, reinsurance pricing information, and expert estimates based on company-specific circumstances and data availability.

The KPI calculation is based on data submitted by the local insurance companies in a standardised form with integrated, automated validations and then uploaded by way of a central reporting system. The consolidated key figures (KPIs) for the non-life insurance business are calculated on the basis of this data. The results are reconciled with the data used for the consolidated financial statements within the reporting platform. This data is internal VIG data, reinsurance data, and data from external service providers, which is consistent with the data used for the consolidated financial statements. The data sources are consistent with other VIG financial reporting systems. The mandatory key figures to be disclosed for the non-life insurance business are set out in the table below.

Template for the KPIs of insurance and reinsurance undertakings

	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
Economic activities (1)	Absolute premiums 2024 (2)	Proportion of premiums 2024 (3)	Proportion of premiums 2023 (4)	Climate change mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	Minimum safeguards (10)
	in € million	in %	in %	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	613.9	5.85%	4.78%	Y	Y	Y	Y	Y	Y
A.1.1. Of which reinsured	217.5	2.07%	1.86%	Y	Y	Y	Y	Y	Y
A.1.2. Of which stemming from reinsurance activity	0.0	0.00%	0.00%	Y	Y	Y	Y	Y	Y
A.1.2.1. Of which reinsured (retrocession)	0.0	0.00%	0.00%	Y	Y	Y	Y	Y	Y
A.2. Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	3,289.3	31.36%	26.27%						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	6,587.2	62.79%	68.95%						
Total (A.1 + A.2 +B)	10,490.4	100.00%	100.00%						

The taxonomy-eligible premium for the reporting year increased to 31.36%, which was achieved through an improved portfolio screening process. The taxonomy-aligned premium increase to 5.85% was achieved in particular through a more detailed assessment of the technical screening criteria and the implementation of more precise methodology in the data collection process.

Based on the findings and results of the report on taxonomy alignment in the previous year (first-time reporting), VIG has included the KPI “taxonomy-aligned premium” in its sustainability programme and developed a plan to increase the proportion of sustainable premiums.

VIG does not disclose the standard templates laid down in Delegated Regulation (EU) 2022/1214 in accordance with Annex XII for exposures in the non-life insurance business, as there is not currently sufficient counterparty data available and the information obtained would be of little use to investors and other stakeholders. In addition, VIG has formulated the “Responsible Insurance” declaration with regard to the exclusion criteria for certain sectors, among other things. This declaration is described in more detail in ESRS E1-2 “Policies related to climate change mitigation and adaptation”.

WEIGHTED AVERAGE VALUE IN ACCORDANCE WITH THE EU TAXONOMY REGULATION

In order to comply with the disclosure pursuant to Annex XI DDA (EU) 2021/2178, the following values are reported in accordance with the EU Taxonomy Regulation in relation to the turnover-based investment KPI and the CapEx-based investment KPI of the insurance or reinsurance undertaking and the KPI of the insurance or reinsurance undertaking for non-life insurance activities, weighted according to the share of the revenue of the insurance or reinsurance undertaking from its investment activity and the share of the revenue of the insurance or reinsurance undertaking from its non-life insurance activities of the total revenue of the insurance or reinsurance undertaking.

	Weighted KPI
	in %
The weighted average of the turnover-based KPI on investments of the insurance or reinsurance undertaking and the KPI on non-life underwriting of the insurance or reinsurance undertaking with weightings in accordance with the proportion of revenue that the insurance or reinsurance undertaking derives from its investing activities and the proportion of revenue the insurance or reinsurance undertaking derives from its non-life underwriting activities in the total revenue of the insurance or reinsurance undertaking	5.77%
The weighted average of the CapEx-based KPI on investments of the insurance or reinsurance undertaking and the KPI on non-life underwriting of the insurance or reinsurance undertaking with weightings in accordance with the proportion of revenue that the insurance or reinsurance undertaking derives from its investing activities and the proportion of revenue the insurance or reinsurance undertaking derives from its non-life underwriting activities in the total revenue of the insurance or reinsurance undertaking	5.81%

ESRS E1 CLIMATE CHANGE

The following section describes the requirements related to ESRS 2.

Governance

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

With regard to the integration of sustainability-related performance in incentive schemes, reference is made to the information provided in chapter ESRS 2 GOV-3 “Integration of sustainability-related performance in incentive schemes”. Climate considerations are integrated into the incentive scheme insofar as part of the variable remuneration of the members of the VIG Holding Managing Board is subject to deferred payment, which is tied to the sustainable development of VIG. The assessment of sustainable development takes into account not only economic objectives but also the responsibility for the environment, society and employees. However, it should be noted that no specific targets or metrics in the sense of the defined greenhouse gas emission reduction targets are used for the assessment of these areas, but rather a holistic assessment of the progress made is carried out.

Strategy

DISCLOSURE REQUIREMENT E1-1 – TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

In the reporting year, VIG developed a transition plan for climate change mitigation, which serves to define and implement the strategic actions and targets that will support the transformation towards a more sustainable business. The transition plan for climate change mitigation includes VIG’s consolidated insurance companies as well as, for its internal operations, financial companies such as pension funds and all companies that are essential for the insurance business (e.g. claims management).

With its transition plan for climate change mitigation, VIG aims to reduce the absolute greenhouse gas emissions in Scope 1, 2 and 3 in line with the Paris Agreement. To this end, VIG has elected to follow a scientifically grounded net-zero path as a reference for its target and has chosen the Net Zero 2050 scenario developed by the Network for Greening the Financial System (NGFS), which is in line with the target of limiting global warming to 1.5°C through strict climate guidelines and technological innovations. It takes into account measures such as the decarbonisation of the energy sector, increased energy efficiency and the development of new technologies to combat emissions that are difficult to reduce. It is also based on the latest scientific evidence and represents a reduction path for absolute greenhouse gas emissions without distinguishing between regions or industries. For this reason, VIG applies the reduction targets derived from the scenario uniformly to all focus portfolios consolidated at the Group level in order to ensure that the targets are implemented in accordance with science-based targets.

The transition plan for climate change mitigation defines science-based targets and is currently focused on the corporate portfolio in underwriting, on corporate bonds and equities and other non-fixed-interest securities in asset management, and on VIG’s internal operations. The reduction targets for the selected portfolios apply at the Holding level and are also assigned at the level of the individual Group companies. The greenhouse gas emissions from the base year 2023 serve as a starting point for measuring progress. Based on the selected scenario, the path to net zero by 2050 requires VIG to achieve an absolute reduction in greenhouse gas emissions of a little under 30% (starting from the base year 2023) by 2030. The specific reference target values resulting from this reduction for each sphere of impact are presented in chapter ESRS E1-4 “Targets related to climate change mitigation and adaptation”.

Key decarbonisation levers have been identified for each sphere of impact. These serve as a guide and create the framework for tangible actions, both at the level of the individual Group companies and at the investment level (e.g. investment security, issuer). An extract of the identified decarbonisation levers is presented in the following table:

Sphere of impact [1]	Decarbonization levers
Underwriting Corporate	Reduction of coverage for risks and contracts: The systematic reduction of insurance coverage in emission-intensive areas can actively contribute to reducing greenhouse gas emissions.
	Expansion of new business, taking into account target intensities (tCO_2e/million EUR): New contracts will increasingly be concluded with a “net-zero” target intensity (tCO_2e/million EUR) by 2030.
	Focus on coverage in renewable energies sector: A particular focus is to be placed on customers in the renewable energies sector who contribute to the energy transition and to sustainable transformation.
	Reduction in greenhouse gas-intensive industries: Another focus is on exclusion criteria in particularly emission-intensive industries such as thermal coal (see chapter ESRS E1-2 “Policies related to climate change mitigation and adaptation”).
Asset Management	Reinvestment of the corporate bonds of top issuers with maturities prior to 2030: On maturity, the aim is to reinvest in issuers with a respective average greenhouse gas intensity of the sector, thereby improving the climate balance of the VIG portfolio.
	New investment with target intensity: For new investments due to business growth, the aim is to invest to the extent necessary in line with a "net-zero" target intensity 2030.
	Reduction of investments in high-intensity sectors: In the absence of climate targets or reduction plans, investments in particularly emission-intensive industries are being gradually reduced. Another focus is on exclusion criteria such as for thermal coal (see chapter ESRS E1-2 “Policies related to climate change mitigation and adaptation”).
Internal operations	Reduction of Scope 1 emissions in the undertaking’s own vehicle fleet: The aim is to reduce the greenhouse gas emissions of the VIG vehicle fleet by switching to low-emission or electric vehicles.
	Reduction of Scope 2 emissions: The expansion of the use of renewable electricity sources and the optimization of energy consumption for heating (in some cases including Scope 1) and cooling are to be accelerated.

[1] For the Underwriting Retail portfolio, no science-based targets have been set yet as part of the transition plan for climate change mitigation due to a lack of framework conditions for target tracking. Therefore, the sphere of impact is not listed separately in this table.

The majority of VIG’s greenhouse gas emissions are indirectly caused in Scope 3 by emissions related to insurance contracts or financed emissions. In the area of internal operations, greenhouse gas emissions are comparatively low and can be found in Scope 1 and Scope 2 as well as in Scope 3 (air travel). With regard to the quantification of investments and financial resources that support the implementation of the transition plan for climate change mitigation, the collection and analysis of the relevant data were still in progress in the reporting year. Disclosure of this information is planned for future reporting periods as soon as the necessary data is available and the corresponding processes have been fully implemented. Since the Scope 3 emissions of VIG are primarily related to financed emissions under category 15 in accordance with the Greenhouse Gas Protocol (GHG Protocol), over which VIG has only limited control, no significant locked-in GHG emissions can be reported in the year under review. A risk to the reduction targets due to locked-in emissions is therefore not relevant for VIG.

The transition plan for climate change mitigation is based on VIG’s sustainability programme and is of central importance for its business activities. It is embedded throughout VIG’s governance structure, which means that targets, activities, progress and updates are developed like all other business-related actions and subsequently reported and discussed on a regular basis by the local managing boards and supervisory boards of the companies. The interaction between local companies and the VIG Holding departments with regard to the implementation of the transition plan for climate change mitigation at the local level takes place on a consultation and dialogue basis. All activities relating to the integration of Group targets at the level of the companies and to the measurement and control of results and progress, including any resulting adjustments, are primarily the responsibility of the local managing boards of the companies and consequently also of the VIG Holding Managing Board or, subordinately the respective departments.

Overall responsibility for sustainability matters, the transition to a more sustainable economy and thus the transition plan for climate change mitigation and its implementation lies with the VIG Holding Managing Board. In view of the importance and the cross-divisional scope of the transition plan for climate change mitigation, the plan was adopted by the Managing Board in January 2025. Since the transition plan for climate change mitigation was drawn up in the reporting year, VIG Holding will monitor implementation and target achievement from 2025 onwards. Progress in implementation and significant changes to the transition plan for climate change mitigation are discussed in the meetings of the Sustainability Committee. With regard to the measurement of progress with the emission reductions in the individual spheres of impact, reference is made to chapter E1-6 “Gross Scopes 1, 2, 3 and Total GHG emissions”.

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In the course of carrying out the double materiality assessment of VIG, the material climate-related impacts, risks and opportunities were identified. The table below shows the climate-related risks classified as material and assigns them to physical or transition risks.

The physical risks of climate change arise directly from the consequences of climate change, such as an increase in the global average temperature and the related more frequent and intense natural disasters and extreme weather events such as floods, heat/droughts, storms and hail.

Transition risks relate to the risks that arise in the course of the transition to a climate-neutral and sustainable economy and society. For example, they may result in a devaluation of assets. The reasons for this include changes in the political and legal framework conditions of the real economy (e.g. introduction of a CO_2 tax), technological innovations (e.g. renewable energy, storage technologies) and changes in consumer behaviour.

ESRS sub-topic	Sphere of impact	Material climate-related risks according to the double materiality assessment	Type of climate-related risk
Climate change adaptation	Underwriting	Increased occurrence of natural disasters due to climate change	Physical risk
		Higher frequency of regular losses due to changed weather conditions (e.g. increased number of days with rain and snowfall, longer periods of drought)	Physical risk
	Asset Management	Default or negative impacts on the creditworthiness of debtors due to the increase in extreme events (weather, natural disasters)	Physical risk
Climate change mitigation	Underwriting	Increase in claims by policyholders due to climate events that could have been avoided if appropriate preparations/precautions had been taken	Transition risk
	Asset Management	Losses in the value of investments (indirectly through stranded assets) due to sustainability measures, e.g. by the legislator	Transition risk
		Negative media coverage because investments are made in businesses that do not adequately mitigate their impact on the environment.	Transition risk

A detailed description of the identified climate-related impacts, risks and opportunities can be found in the next chapter concerning the disclosure requirement related to ESRS 2 IRO-1 “Description of the processes to identify and assess material climate-related impacts, risks and opportunities”.

By conducting scenario analyses, VIG also assesses how climate change will affect claims development and therefore the insurance business. Regular internal risk analyses are also carried out on the medium- and long-term impacts of climate change, covering both transition risks and physical risks. Internal and external experts working together assess the probabilities of natural disasters and calculate the possible impacts in all key markets of VIG in order to ensure the long-term resilience of the Group-wide insurance portfolio. Scenarios with three different temperature increases (1.5°C, 2.0°C and 3.0°C) are analysed, which enables analysis over short-, medium- and long-term time horizons. The risk models applied are regularly improved on the basis of new data, facts and insights such as the latest scientific studies or newly constructed flood protection measures, for example.

In the consolidated financial statements, any impacts of the climate risks identified in the course of the scenario analysis (including floods) were also assessed in the valuation of assets and liabilities, where applicable. The expertise gained in the area of underwriting helps VIG purchase the optimal reinsurance coverage for assumed risks, among other things. In addition, the natural disaster reinsurance programme is reviewed annually, allowing the occurrence of any scenario impacts to be mitigated by appropriate reinsurance.

Impact, risk and opportunity management

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

As explained in section E1 ESRS 2 SBM-3 "Material impacts, risks and opportunities and their interaction with strategy and business model", VIG performed a scenario analysis, as in previous years, that considered the potential impacts, risks and opportunities of climate scenarios with global warming levels of 1.0°C, 2.0°C and 3.0°C. The analysis was carried out on the basis of a short-, medium- and long-term time horizon and includes the assessment of physical risks as well as transition risks that could arise from various climate scenarios. The scenario analysis is carried out, among other things, to assess the possible financial impacts under different warming paths and to derive appropriate actions. Detailed information on the classification of climate risks and the identification of short-, medium- and long-term transition events can be found in the notes to the consolidated financial statements in the section "Risk strategy and risk management" starting on page 297.

The process of the double materiality assessment in relation to the evaluation of climate-related impacts, risks and opportunities is described in chapter ESRS 2 IRO-1 "Description of the processes to identify and assess material climate-related impacts, risks and opportunities". The results in relation to the three sub-topics of "Climate change adaptation", "Climate change mitigation" and "Energy" are presented below.

Material climate-related impacts

The material negative climate-related impacts of internal operations result from greenhouse gas emissions, particularly those caused by energy consumption. VIG works continuously to reduce the emissions it produces, for example by installing equipment to produce renewable energy, purchasing renewable energy, acquiring electric vehicles and installing electric charging stations.

Insurance products themselves do not produce greenhouse gases, but the insured items such as buildings or vehicles do. According to a 2022 analysis by the German Federal Statistical Office, cars and motorcycles are responsible for the majority (about 60%) of all emissions caused by road traffic in the European Union. Since motor third party liability insurance is mandatory in the countries in which VIG operates (except Georgia), and there is also an acceptance obligation for motor third party liability insurance in some of these countries, these insured items have a high climate-related impact, which, due to the insurance obligation, can only be controlled indirectly by the insurance industry as a whole. The focus in underwriting is therefore on reducing the harmful impacts of climate change. (Re)insurance solutions play a central role in this. As one of the leading insurance companies in Central and Eastern Europe, VIG offers a wide range of policyholders security and protection by covering risks from natural disasters in accordance with VIG's insurance contracts.

In the area of asset management, VIG's investments in infrastructure projects such as wind and solar energy, which contribute to the achievement of EU-wide energy transition targets, were identified as positive climate-related impacts. A description of VIG's emission reduction targets is included in chapters E1-1 "Transition plan for climate change mitigation" and E1-4 "Targets related to climate change mitigation and adaptation" in connection with the transition plan for climate change mitigation.

Material climate-related risks

In underwriting, the physical risk of increased frequency of regular losses due to changes in weather patterns (e.g. more frequent rain and snowfall or longer droughts) has been identified. In addition, there is the physical risk of an increased occurrence of natural disasters, such as the risk of flooding as a result of climate change. The regions of

Eastern Europe and Central Asia are considered to be particularly at risk in this regard. More frequent natural disasters can also lead to higher gross losses. Severe weather events categorised as a 100-year event or more extreme have already occurred more frequently in the last two decades (e.g. snow loading, flooding, hail, storms). Based on internal risk analyses, VIG considers the issue of flooding in particular to be material in terms of natural disasters.

The assessment and pricing of climate risks by incorporating climate data and risk modelling into insurance terms and conditions enables the appropriate consideration of potential losses and supports the long-term stability and sustainability of the insurance business. This has become particularly important in non-life insurance.

In the corporate business, the local insurance terms and conditions are based on the individual risk situation of the respective policyholder, which may be assessed by VIG's own consulting company, Risk Consult, where applicable. In individual cases, insurance can only be concluded once the proposed risk minimisation measures have been implemented.

In addition to the physical risks, the transition risk of a potential increase in losses due to insufficient preparation for climate change was identified in underwriting. In liability insurance in particular, higher losses may occur due to a lack of preparation for climate change.

The physical risk of default or negative impacts on the creditworthiness of debtors as a result of an increase in extreme weather events has also been identified for VIG in the area of asset management. Natural disasters can lead to production shutdowns, which can affect the creditworthiness of investee companies. The corresponding risk is taken into account in the market risk. In addition, VIG investments that do not meet sustainability criteria entail transition risks, among others. These can lead to losses in value due to changes or additions to the legal framework and have therefore been identified as material. As ESG aspects are taken into account in VIG's investment strategy, the risk is already being addressed appropriately.

In addition, ESG limit monitoring is used to continuously monitor whether investments comply with the Group-wide ESG investment strategy. If investments were to be made outside the ESG investment strategy, there would be a reputational risk for VIG as part of this transition risk. VIG seeks to reduce this risk by implementing various actions under the sustainability programme, such as taking greenhouse gas emissions into account in future investment decisions.

Material climate-related opportunities

In its communication of 31 August 2023, the European Insurance and Occupational Pensions Authority (EIOPA) assumes that around 75% of climate-related disasters are not covered by insurance. The reason for this is that state infrastructure in particular is not insured. Although the general public is expected to show a growing interest in insurance solutions for climate risks, these can only be offered within the limits of the available reinsurance capacity and, if necessary, with the involvement of state coverage (e.g. the discussion about increasing natural disaster coverage in Austria). Climate change mitigation actions taken in the area of underwriting therefore also require adjustments to products by extending the coverage where insurable. Insurance for environmental technology solutions offers the opportunity to offer new products and services. However, this requires that these risks be insurable and that sufficient reinsurance protection be provided, since the increase in the potential risk from additional cover for natural disasters will result in higher costs for insurance service providers, which must be priced in a risk-adequate manner. In the area of underwriting, climate change adaptation is also seen as an opportunity to contribute to economic stability and resilience by providing adequate insurance protection against natural disasters. This accelerates economic recovery and enables the affected regions to resume their economic activity more quickly.

Another climate-related opportunity has been identified in the area of asset management with regard to VIG's investment opportunities in green bonds. This allows VIG to make an active contribution to sustainable transformation, meet the expectations of its stakeholders and create long-term value.

DISCLOSURE REQUIREMENT E1-2 – POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Appropriate policies have been developed to address the identified material impacts, risks and opportunities for VIG, as described below.

Policies related to climate change mitigation and adaptation in internal operations

Although the largest share of VIG's greenhouse gas emissions can be attributed to the underwriting and asset management spheres of impact, greenhouse gas emissions are also generated in internal operations. VIG has leverage in this area that can be used to contribute to climate change mitigation and adaptation. Reference is made here to the sustainability programme, which is described in more detail in ESRS 2 MDR-P "Policies adopted to manage material sustainability matters". The first step is to reduce emissions as much as possible, followed by offsetting any remaining emissions. VIG's sustainability programme combines actions that address climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energies. The Code of Business Ethics is another element that addresses the topic of environmental protection. Details are provided in ESRS 2 MDR-P "Policies adopted to manage material sustainability matters".

Policies related to climate change mitigation and adaptation in underwriting

VIG is committed to helping its policyholders adapt better to climate change and to continuously increasing the range of products and services that support these efforts. Some VIG insurance companies offer specific products for this purpose. In addition, some VIG life insurance companies offer investment options in funds with ESG characteristics.

To this end, VIG has developed the "Responsible Insurance" declaration, which includes self-imposed climate-related criteria defined by VIG for its corporate business. These criteria help to embed sustainability even more comprehensively in the core business. The declaration is available for download on the VIG website (group.vig/sustainability/downloads/) and has been approved by the VIG Holding Managing Board. The stricter requirements of the declaration have applied since March 2024 and are mandatory for all VIG insurance and reinsurance companies.

In consideration of the issues of climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energies, VIG has not concluded any new insurance contracts for coal mining or coal power plant construction projects since 2019. Existing insurance contracts in this area are being gradually reduced. The updated requirements of the declaration mean that there is an obligation to pursue a declining underwriting strategy for existing risk insurance. In view of this, VIG insurance companies will not increase their engagement in insurance cover for coal risks. Only in countries where the economy and employment depend to a significant extent on the coal sector may the provision of cover for coal risks be maintained in exceptional cases, in line with the country's strategy for phasing out coal-based energy. These exceptional cases are set out in detail in the "Responsible Insurance" declaration. In addition, VIG does not offer risk coverage for unconventional oil and gas exploration. This includes shale gas and shale oil as well as all kinds of new deep-sea mining projects. In the interest of promoting the use of renewable energy sources, VIG has also been providing insurance for renewable energy sources such as wind and water power, photovoltaics and biomass in Central and Eastern Europe for many years. This makes VIG one of the leading insurance providers in this region for renewable energy generation facilities.

In addition, the underwriting portfolio for corporates is analysed at the individual company level based on the absolute greenhouse gas emissions volume. A programme of actions and activities has been developed for the main greenhouse gas emitters, with the aim of aligning the corporate portfolio with the net-zero pathway. Furthermore, climate-related risks, such as environmental risks and the natural disaster risk of VIG policyholders, are evaluated by the Group's consulting company, Risk Consult, where appropriate.

Based on the results, actions are then developed and implemented with the respective companies.

Policies related to climate change mitigation and adaptation in asset management

VIG invests its premium income in such a way that it can fully meet its obligations to customers at all times. VIG therefore focuses on security in investments and prefers good credit ratings and thus stable returns. At the same time, however, VIG takes responsibility for the environmental impact of its investments and so implements expanded sustainability criteria. An important tool for decarbonising the investment portfolio is the portfolio analysis carried out in each of the local insurance companies as part of the sustainability programme, which focuses on the main greenhouse gas emitters in the portfolio. The companies then had to develop an action plan for this group of emitters with the aim of putting the entire portfolio on a development path in terms of the CO_2e footprint that is consistent with the net-zero target for 2050 at 1.5°C warming.

VIG's "Responsible Investment" declaration, which addresses the material impacts, risks and opportunities related to climate change mitigation and climate change adaptation in asset management, applies to all VIG (re)insurance companies and was approved by the VIG Holding Managing Board. It is available for download from the VIG website (https://group.vig/en/sustainability/downloads/) and is based on a combination of several strategies. Among other things, investments in companies to which the VIG exclusion criteria apply are excluded. In addition, VIG pursues an engagement approach that promotes active dialogue with investee companies to encourage them to improve the sustainable impact of their business activities. To implement this approach, VIG has entered into a collaboration with the internationally renowned external partner ISS ESG. Since September 2023, a report has been prepared on the engagement activities and the results are published annually on the VIG website. The declaration also aims to increase the share of investments based on the VIG Sustainability Bond Framework (e.g. renewable energies, environmentally friendly construction methods) and the share of investments in green bonds. In the reporting year, a total of EUR 1,525 million was invested in green bonds. This represents an increase of 27% over the previous year. The sustainability characteristics of a bond are identified on the basis of publicly available data. Details of the Sustainability Bond Framework can be downloaded from the VIG website (https://group.vig/sustainability-framework).

The "Responsible Investment" declaration defines the following exclusion criteria for specific sectors:

- Thermal coal: The coal exclusion criterion for new direct investments has been in place since 2019, with stricter limits applying from 2023. For example, VIG now excludes, among other things, new direct investments in companies that generate more than 5% of their turnover from thermal coal mining. The same applies to companies that produce more than 10 million tonnes of thermal coal per year. By the end of 2025, existing investments will be reduced by more than 50% compared to 2019, and will be eliminated completely by the end of 2035 at the latest.
- Unconventional oil and gas: New direct investments in companies that generate more than 5% of their turnover from unconventional oil and gas are also excluded. This includes, for example, income from oil sands or shale gas.

The declaration also defines social exclusion criteria, such as the exclusion of investments in companies that produce or trade in banned weapons. Furthermore, the declaration includes the Ten Principles of the UN Global Compact, including human rights and labour rights, and environmental protection and anti-corruption measures.

In the context of climate change adaptation and climate change mitigation, the exclusion criteria mentioned in the declaration for investments that violate the following principles of the UN Global Compact relating to environmental protection should be highlighted:

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

The application of the exclusion criteria of the declaration generally applies to direct investments (with the exception of securities issued by governments, federal states, regions, municipalities and supranational organisations), including such investments in consolidated investment funds of all VIG (re)insurance companies.

In addition to the climate-related exclusion criteria presented above, analyses are carried out for the VIG portfolio as a whole in connection with a climate risk report. In this regard, various scenario analyses are presented to show how company valuations could change in relation to transition risks and physical risks. These analyses help to show, among other things, whether the investment portfolio is aligned with the global temperature pathway of the Paris Agreement targets.

DISCLOSURE REQUIREMENTS E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

The following section addresses the actions and resources in relation to the climate change policies presented in the previous section. The significant CapEx amounts required to implement the actions described cannot yet be disclosed in the reporting year due to a lack of data. The aim is to allocate the figures to the key performance indicators in accordance with Commission Delegated Regulation (EU) 2021/2178 and the relevant items in the financial statements for subsequent reporting years.

Actions and resources in internal operations

The areas of energy consumption and the vehicle fleet were identified as the biggest decarbonisation levers in VIG's internal operations. Actions include, in particular, striving for greater energy efficiency, switching to energy suppliers with lower greenhouse gas intensity and expanding the fleet of electric vehicles. There is also increasing investment in the generation of electricity from renewable sources for self-consumption.

As already described in chapter E1-1 "Transition plan for climate change mitigation", the key decarbonisation levers and starting points for the continuous reduction of greenhouse gas emissions in all areas of VIG were identified as part of the transition plan for climate change mitigation developed in the reporting year. The transition plan for climate change mitigation will be fleshed out over the next few years as further actions are planned in the course of the implementation of the sustainability programme by the individual companies. The necessary targets and the actions resulting from the difference between the target and the projection were developed in the course of the transition plan for climate change mitigation on the basis of the "NGFS Net Zero" climate scenario and the "Nationally Determined Contributions (NDCs)" scenario from the range of "Hot house world" scenarios. Detailed information on the transition plan for climate change mitigation can be found in chapter ESRS E1-1 "Transition plan for climate change mitigation". For details of the emission reductions resulting from the climate change mitigation actions taken and planned, please refer to chapter ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions".

Actions and resources in underwriting

In underwriting, the net-zero target will be achieved through a variety of actions, such as the continuous expansion of the range of environmentally friendly and sustainable insurance products. The underwriting portfolio will also be balanced using the best-in-class approach. In doing so, a stronger focus will be placed on the insurance of sectors with lower emissions. In addition, it will be very important to engage with policyholders in order to support them on the path set out in the transition plan for climate change mitigation.

Actions and resources in asset management

In order to achieve the net-zero target in the investment portfolio by 2050, greenhouse gas emissions will be given greater consideration in future investment decisions. In addition, opportunities for green investments in the investment portfolio are continuously evaluated. The primary focus is on corporate bonds and equities and other non-fixed-interest securities, for which the VIG insurance companies are to set specific greenhouse gas reduction targets at the local company level by 2030. VIG is not currently focusing on emissions in connection with government bonds, as these offer little scope for reducing emissions due to restrictions relating to risk-bearing capacity and regulation.

Metrics and targets

DISCLOSURE REQUIREMENT E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The following section details VIG's targets related to climate change mitigation and adaptation. In view of the selected "Net Zero 2050" scenario, VIG has defined specific targets for reducing greenhouse gas emissions by 2030 as an initial milestone. Setting milestones is not only a legal requirement, but also a business necessity to lay the foundation for a successful transition to a sustainable future. VIG's milestones were formulated based on two guiding principles of proper business conduct. The initial focus is on the key parts of the VIG portfolio, which are presented in chapter ESRS E1-1 "Transition plan for climate change mitigation". The extent to which VIG can take additional actions to further support target achievement will also be examined.

The scenario selected for setting the climate target is considered to be a reliable basis because the Network for Greening the Financial System (NGFS), which provides this scenario, is strongly supported by regulators, central banks and scientific institutions. To ensure a solid basis for the target and to build the transition plan for climate change mitigation on the most reliable data quality, the decision was made to use 2023 as the base year, as the greenhouse gas emissions data collected for that year was of a good quality. In addition, the law stipulates that the base year must not be more than three years before the first reporting year. Further information on the approach to target setting and the selected climate scenario is presented in detail in chapter ESRS E1-1 "Transition plan for climate change mitigation".

In line with the climate scenario selected and the guiding principles mentioned above, this transition plan for climate change mitigation sets out emission reduction targets for 2030 for underwriting (corporate), asset management (corporate bonds and equities and other non-fixed-interest securities) and internal operations. In close cooperation with the relevant departments of VIG Holding, the emission reduction targets were formulated on the basis of the NGFS climate scenario and corresponding levers were derived as starting points for possible greenhouse gas reductions. In addition, the local insurance companies have developed sustainability programmes that form the basis for future emission reductions. This ensured that relevant stakeholders were involved in setting the targets and ensuring their achievability.

For the underwriting portfolio of retail customers, which, for the purposes of reporting, is limited to the emissions of motor vehicle insurance policies, no science-based targets have been set for the time being as part of the transition plan for climate change mitigation, despite the portfolio's significance, because the possibility of effectively tracking and controlling such targets is very low. This is partly due to the fact that the insurable "vehicle fleet" in a country is determined by the purchasing preferences of economic agents and can therefore only be changed by regulatory or (fiscal) policy measures. With motor vehicle insurance playing a significant role in national economies by providing coverage for strict liability and, as mentioned earlier, motor vehicle insurance generally being mandatory at a national level when a vehicle is registered, along with an insurance acceptance obligation in some cases, withdrawing from this insurance segment is not an option for VIG. Despite the lack of a "hard" target, VIG is still endeavouring to reduce emissions through selected activities. VIG emissions generated by the motor portfolio are in any case continuously recorded and are reported in chapter ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions" as part of the financed emissions (Scope 3 category 15).

In the area of asset management, VIG has set a science-based target for the portfolio of corporate bonds and equities and other non-fixed-interest securities. Although the greenhouse gas emissions of the government bond portfolio are significant and this portfolio accounts for around 30% of VIG's total investments as of 31 December 2023, VIG has only limited scope to reduce them. The reason for this is that regulatory requirements in various jurisdictions prescribe investments in government bonds. Furthermore, the need to avoid currency gaps significantly limits the choice.

In addition, VIG believes that not investing in government bonds is undesirable for economic reasons. Despite these limitations, a reference target has been derived as a guide and the greenhouse gas footprint of the government bond portfolio is continuously monitored with the aim of implementing "soft" compensatory actions when needed and available. In addition, the emissions from the government bond portfolio are disclosed in chapter ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions" under the financed emissions. Greenhouse gas emissions in EU countries are generally expected to decrease by 2030 and beyond, given the commitments made by the states to contribute to the achievement of climate targets. Emissions from VIG's real estate portfolio were not yet included in the transition plan for climate change mitigation during its initial preparation in the reporting year. However, the aim is to also include these emissions in the target setting next year. Furthermore, investments of unit- and index-linked life insurance were not included in the development of the reduction targets due to a lack of direct control options for VIG in the portfolio.

A science-based interim target for 2030 has also been set for internal operations, with the aim of achieving the net-zero target by 2050. Compared to the financed or insurance-associated emissions, VIG's internal operations cause negligible emissions, according to the result of the significance analysis. However, this is the only area in which VIG can directly influence emissions, which is why the target set for Scope 1–3 emissions (whereby Scope 3 only applies to air travel) is being pursued.

As explained in chapter ESRS E1-1 "Transition plan for climate change mitigation", a reduction of VIG's emissions across all the spheres of impact already mentioned by just under 30% by 2030 is necessary to ensure implementation of the net-zero scenario by 2050. The reference target values for the selected portfolios resulting from this reduction target for 2030 are shown in the table below in tonnes of CO_2 equivalent (CO_2e, taking into account all Kyoto gases including NF3). The emissions categorised under Scope 3, category 15, for the portfolios considered in the transition plan for climate change mitigation from the spheres of impact of underwriting (corporate) and asset management (corporate bonds and equities and other non-fixed-interest securities) as well as the Scope 1–3 emissions from VIG's internal operations (subject to the previously mentioned limitation) for the year 2023 were used as the baseline data.

Selected portfolios	GHG emission baseline (2023)	Reference target value 2030
in t CO_2e		
Underwriting Corporate	680,105	485,633
Asset Management (Corporate Bonds and Equities)	1,218,310	869,874
Internal Operations [1]	38,066	27,027
Gross Scope 1 GHG emissions	18,136	
Gross Scope 2 GHG emissions (market-based)	18,619	
Gross Scope 3 GHG emissions (business travel)	1,311	

[1] An overarching (market-based) reduction target was set for Scope 1-3 emissions for VIG's internal operations as part of of the transition plan for climate change mitigation, as the measures to reduce emissions in the individual scopes have a holistic effect and their reduction is therefore considered together.

As can be seen from the table above, a reduction of 194,472 tonnes of CO_2e in emissions is required for the corporate underwriting business in relation to Scope 3.15 in order to achieve the reference target value of 485,633 tonnes of CO_2e. Compared to the previous year, a reduction of 25,471 tonnes of CO_2e (-4%) was achieved in the corporate underwriting business in the reporting year. For the asset management (corporate bonds and equities) portfolio, around 350,000 tonnes of CO_2e must be saved in relation to Scope 3.15 in order to achieve the reference target value of 869,874 tonnes of CO_2e for this portfolio by 2030. In the reporting year, 319,584 tonnes of CO_2e (-26%) have already been saved in this regard compared to the base year.

In order to achieve the required target in VIG's internal operations, market-based Scope 1–3 emissions need to be reduced by 11,039 tonnes of CO_2e by 2030, according to the previous table. In the reporting year, a reduction of 2,154 tonnes of CO_2e (-6%) in market-based emissions was already achieved compared to the base year.

Details of the identified decarbonisation levers and actions for each sphere of impact, which were defined in the course of setting the reduction targets, are described in chapter ESRS E1-1 "Transition plan for climate change mitigation". It is not yet possible to present the quantitative impacts and total contributions to decarbonisation of the individual actions in the reporting year. VIG plans to implement this step by step in the coming years.

Differences in the presentation of emissions between the transition plan for climate change mitigation and the disclosed greenhouse gas emissions

The presentation of emissions in the transition plan for climate change mitigation differs in some respects from the disclosed greenhouse gas emissions, as different portfolios are taken into account in some cases to enable better tracking of the climate targets set for the transition plan for climate change mitigation. More emissions are included in the disclosure of VIG's emissions in chapter E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions" because a broader database is used here. However, it is ensured that all emissions reported in the transition plan for climate change mitigation are also fully included in the disclosure of VIG's emissions. The differences in the database for the individual spheres of impact are explained in more detail below.

For underwriting (corporate), the same emissions are recorded and reported in both the transition plan for climate change mitigation and the greenhouse gas balance sheet. While the transition plan for climate change mitigation does not currently cover the area of underwriting (retail) due to the limited possibility of effective target tracking and control, the GHG balance sheet does show the emissions from the motor portfolio from this sphere of impact.

For asset management, the Scope 1–2 emissions of corporate bonds and equities and other non-fixed-interest securities were included for the transition plan for climate change mitigation and the associated climate target. Emissions from the real estate portfolio are to be included in the targets in the coming year. In addition to the emissions included in the transition plan for climate change mitigation, the emissions disclosed in ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions" also include all emissions from government bonds and from property as well as Scope 3 emissions of the remaining investment. The disclosed emissions also include the emissions from investments of unit- and index-linked life insurance contracts and from non-consolidated participations. Due to the low level of investment in this asset class, investments are not included in this transition plan for climate change mitigation. Furthermore, there is currently no intention to include these in the transition plan for climate change mitigation next year. Although investments of unit- and index-linked life insurance are part of the consolidated balance sheet, the investment decision and the investment risk lie with the customer. However, VIG insurance companies offering unit-linked and index-linked insurance products will enable low-carbon unit-linked and index-linked alternatives for both new business and existing contracts (reallocation).

In VIG's internal operations, the insurance companies' (excluding the three Ukrainian companies) emissions from the base year were used to calculate VIG's climate-related targets. In addition, the emissions of some non-insurance companies were included in the development of the emission reduction target due to their relevance for the transition plan for climate change mitigation. The additional non-insurance companies include financial companies such as pension funds, asset management, assistance and service companies that are material to the insurance business. All insurance companies included in the IFRS scope of consolidation (except for the three Ukrainian companies) were included in the disclosure of emissions in accordance with ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions". The data basis of the transition plan for climate change mitigation therefore differs from the presentation of emissions from the base year in ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions".

As explained in this chapter, all emissions reported in the transition plan for climate change mitigation are also included in the disclosure in accordance with ESRS E1-6 "Gross Scopes 1, 2, 3 and Total GHG emissions". Consistency between the targets and the greenhouse gas inventory limits is thus ensured, as the additional emissions in the greenhouse gas balance sheet fully integrate the emissions included in the transition plan for climate change mitigation.

DISCLOSURE REQUIREMENT E1-5 – ENERGY CONSUMPTION AND MIX

The following table shows VIG's energy consumption from internal operations in the base year (2023) and in the reporting year. As an insurance service provider, VIG is not assigned to any high climate impact sector based on its business activities. The high climate impact sector disclosure requirements set out by the ESRS therefore do not apply in this report.

Energy consumption and mix	2023	2024
Total fossil energy consumption (MWh)	**126,529**	**125,551**
Share of fossil sources in total energy consumption (%)	85.64%	84.81%
Consumption from nuclear sources (MWh)	**7,215**	**5,103**
Share of consumption from nuclear sources in total energy consumption (%)	4.88%	3.45%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	27	46
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	13,968	16,738
The consumption of self-generated non-fuel renewable energy (MWh)	n. a.	593
Total renewable energy consumption (MWh)	**13,995**	**17,377**
Share of renewable sources in total energy consumption (%)	9.47%	11.74%
Total energy consumption (MWh)	**147,738**	**148,030**

Total fossil energy consumption fell by around 1% compared to the previous year. Energy consumption from nuclear sources fell by 29% compared to the base year. At the same time, total renewable energy consumption increased by 24% compared to 2023. The total energy consumption increased slightly compared to the previous year.

DISCLOSURE REQUIREMENT E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

The following table shows VIG's greenhouse gas emissions by Scope 1, 2 and 3 in accordance with the Greenhouse Gas (GHG) Protocol in CO_2 equivalents (taking into account all Kyoto gases, including NF3). The table includes emissions generated directly by the Company (from heating energy requirements, refrigerants and fuel consumption – Scope 1) and the emissions caused indirectly by the Company (due to electricity, district cooling and district heating consumption – Scope 2). In addition, the emissions caused by employee business flights (Scope 3 – category 6) and the financed emissions (Scope 3 – category 15) in the areas of asset management (including real estate) and underwriting (corporate and retail) are shown. The emissions of those companies in which VIG holds a corresponding interest (at equity companies) are also reported in Scope 3 – category 15. The databases of the International Energy Agency (IEA), the Austrian Environment Agency, the Department for Environment, Food and Rural Affairs (DEFRA) and the German Association of the Automotive Industry (VDA) were used to calculate greenhouse gas emissions. The methodology follows the guidelines of the GHG Protocol to ensure consistent and transparent emissions calculations.

In addition to the greenhouse gas emissions for the reporting year, the emissions from the base year 2023 are cited with regard to target achievement. Due to the CSRD requirements, the VIG IFRS scope of consolidation, which is identical for the 2024 consolidated non-financial report, has expanded significantly. Therefore, the greenhouse gas emissions from the 2023 Sustainability Report are no longer comparable with the metrics in this report. In the base year 2023, only the greenhouse gas emissions of the VIG fully consolidated insurance companies were recorded, whereas in the reporting year 2024, fully consolidated non-insurance companies are also included in the reporting scope. In order to be able to show the same reporting scope for the base year, a back-calculation approach was developed to extrapolate the emissions for the non-insurance companies for the year 2023 based on the number of employees. Based on the number of employees (headcount), the insurance companies accounted for 87% of emissions in 2023. The remaining 13% are accounted for by the non-insurance companies included in the scope of consolidation from 2024 onwards and were calculated by extrapolating the emissions already recorded.

The energy metrics used as the basis for calculating the CO_2e emissions for VIG's internal operations were reported by the individual VIG companies included in the scope of consolidation as of the reporting date of 31 December 2024, with a projection approach used for missing data. Likewise, the financed emissions from the investment portfolio include the values as of 31 December 2024. Due to data availability, the financed emissions from the real estate portfolio are shown with a reporting date of 30 June 2024. Despite this offset period, the calculation of the emissions data in the real estate portfolio is based on full-year values. Past experience has shown that the real estate portfolio as a whole is very constant over the course of the year due to the long-term orientation. The reporting date of 31 October 2024 was used for the reporting of emissions from the underwriting portfolio (corporate and retail). However, the early reporting date has no material impact on the disclosure of the emissions data. A description of the emission calculation can be found below. In addition, the estimates made in calculating the emissions data are discussed in detail in chapter ESRS 2 BP-2 "Disclosures in relation to specific circumstances".

- Gross Scope 1 GHG emissions

Scope 1 includes direct greenhouse gas emissions. These emissions come from sources directly owned or controlled by VIG, such as emissions from the combustion of fossil fuels in company-owned or controlled facilities (including on-site heating systems) and the refill volume of refrigerants for air conditioning systems in the reporting year. In addition, the fuel consumption of the vehicle fleet was recorded. This refers to the petrol or diesel consumption of company-owned or leased vehicles.

- Gross Scope 2 GHG emissions

The emissions recorded under Scope 2 represent the greenhouse gas emissions resulting from the generation of purchased energy. VIG reports the Scope 2 emissions for 2024 using both the location-based and market-based approach according to the GHG Protocol. With the location-based approach, emissions are calculated based on the average emission factors of the regional energy supply, i.e. the local electricity and heating network. The market-based approach, on the other hand, takes into account the specific greenhouse gas emissions of the energy actually procured. The emission factors of the International Energy Agency (IEA) were used to calculate the Scope 2 emissions from electricity, which include the emissions of carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O).

- Gross Scope 3 GHG emissions

The greenhouse gas emissions recorded under Scope 3 are, by definition, a consequence of an undertaking's activities that originate from sources that are not owned or controlled by the undertaking. Scope 3 emissions can be divided into 15 different categories.

In the reporting year, a significance analysis was carried out in accordance with the requirements of the ESRS. This analysis was used to evaluate which categories of Scope 3 emissions are relevant for VIG and must therefore be recorded and reported. The ESRS do not provide a detailed approach for conducting such an analysis, but they do refer to the GHG Protocol, which states that the undertaking's ability to influence emissions and the share of total Scope 3 emissions in the respective category are appropriate criteria for assessing relevance.

The analysis performed in the reporting year used the emissions and consumption data of the VIG insurance companies included in the reporting scope in previous years, as well as additional data that were available in some cases (including train travel and waste data), and extrapolated the results to the scope of the fully consolidated companies. This extrapolation was based on the number of employees (in tonnes of CO_2e per employee per category multiplied by the total number of employees according to the ESRS).

The share of each respective category in the total Scope 3 emissions, as well as the extent to which they can be influenced and their industry relevance, were used as criteria to identify the relevant Scope 3 categories. According to the GHG Protocol, the degree of influence corresponds to the undertaking's potential to reasonably reduce emissions from the respective Scope 3 category. With regard to industry relevance, the GHG Protocol refers to sector-specific guidelines, which are not yet available for the financial industry. For this reason, an industry comparison based on the sustainability reporting of the Scope 3 emissions of six insurance companies was carried out to assess industry relevance.

In the reporting year, the result of the significance analysis led to the classification of Scope 3 emissions in category 3.15 (financed emissions) as relevant and, consequently, their inclusion in the consolidated non-financial report. Although the share of Scope 3.6 emissions from air travel in VIG's total Scope 3 emissions is less than one percent, greenhouse gas emissions will continue to be reported as in the past due to the assumed relevance for certain stakeholders. The financed emissions (category 3.15) represent emissions from the Company's investment and underwriting portfolio and account for around 97% of total Scope 3 emissions. Asset management and underwriting are VIG's core business activities, and VIG has levers and actions in place to reduce emissions from the portfolio. Furthermore, the industry comparison shows that Scope 3 emissions in category 15 are generally the most relevant category of greenhouse gas emissions for financial companies. The procedure for calculating emissions from this category is explained below for underwriting (corporate and retail) and asset management (including real estate).

The remaining categories of Scope 3 emissions were not classified as material in the reporting year. Scope 3 category 1 "Purchased goods and services" is not relevant, since the products purchased by VIG, as a service provider, are primarily limited to paper products and the resulting emissions are negligible. In addition, certain IT products were included in the emissions calculation, although this has not changed the relevance of this category. Similarly, emissions in category 3.2 "Capital goods" are negligible, since the capital goods purchased for VIG are limited to office infrastructure (IT and furniture) and company vehicles. Category 3.3 "Fuel and energy-related activities" is not material for VIG as a non-manufacturing company. The upstream emissions from energy and fuel consumption are low and account for less than one percent of total Scope 3 emissions. As a financial company without significant transport and logistics activities, categories 3.4 and 3.9 "Transportation and distribution (upstream and downstream)" are not material for VIG. Category 3.5 "Waste" covers those emissions that arise from the disposal and treatment of waste by third parties. As a non-manufacturing company, only household waste with low greenhouse gas emissions is generated in the office buildings of VIG. Emissions from category 3.7 "Employee commuting" were calculated on the basis of data from Statistics Austria and a study by the Austrian Automobile, Motorcycle and Touring Club (Österreichischer Automobil-, Motorrad- und Touring Club — ÖAMTC) and the Vienna University of Technology. The results of these calculations show that the share of emissions is less than one percent of total Scope 3 emissions and the category is therefore not material for VIG. With regard to category 3.8 "Upstream leased assets", the emissions resulting from rented office space are already included in the Scope 1 and Scope 2 emissions. The emissions of the VIG real estate portfolio are included in Scope 3.15 (financed emissions) in the reporting year. Category 3.10 "Processing of sold products" is also not material for VIG as a service company, which is also confirmed by the industry comparison. Categories 3.11 "Use of sold products" and 3.12 "End-of-life treatment of sold products" are also not applicable, since

VIG does not sell products, but services. Emissions resulting from the sale of insurance products ("insurance-associated emissions") are reported in category 3.15. Category 3.13 "Downstream leased assets" is also not applicable to VIG in the reporting year, as emissions from real estate owned by VIG and rented to third parties are recorded in Scope 3.15 under the "real estate" asset class. Scope 3.14 "Franchises" is not material, as VIG does not undertake any franchise activities.

Calculation of financed emissions in underwriting (corporate)

Emissions in corporate underwriting are calculated on the basis of the PCAF (Partnership for Carbon Accounting Financials) "economic-activity based emission estimation" approach, as described in detail in chapter ESRS 2 BP-2 "Disclosures in relation to specific circumstances". The estimates of emissions in this area are also presented in chapter ESRS 2 BP-2 "Disclosures in relation to specific circumstances".

Calculation of financed emissions in underwriting (retail)

The financed emissions from retail underwriting include the emissions from VIG's motor portfolio. The area of building insurance is excluded in the reporting year because no PCAF standard was available at the time of reporting for the emissions calculation. Please refer to chapter ESRS 2 BP-2 "Disclosures in relation to specific circumstances" for information on the estimates made for emissions from the motor portfolio.

Calculation of financed emissions in asset management

A financial software solution is used to calculate the financed emissions in the investment portfolio, which enables the integrated processing of portfolio management and risk management data. The calculation logic of the financed emissions from corporate bonds and equities and other non-fixed-interest securities follows that of PCAF Part A. The emissions data are obtained from a specialised financial service provider and updated quarterly. The financed emissions of corporate bonds and equities and other non-fixed-interest securities are calculated on the basis of EVIC (Enterprise Value Including Cash), the investment and the corporate emissions. Where emissions data were not available, the existing emissions data were used and scaled up accordingly for each asset class. In the area of government bonds, the financed emissions are calculated in accordance with the PCAF standard; data from a financial service provider's database is also used here. For further details regarding estimates in the area of asset management, please refer to chapter ESRS 2 BP-2 "Disclosures in relation to specific circumstances".

Calculation of financed emissions in the real estate portfolio

The whole building approach according to the PCAF standard is used to calculate emissions from VIG's real estate investments. With this approach, the total Scope 1 and 2 emissions are considered for each building in the portfolio. A software solution is used to collect the data needed to calculate real estate-related emissions. This allows each VIG real estate investment to be displayed in detail and assigned its own identification number. The data must be transmitted periodically by the holding companies and are consolidated at VIG Holding level. Data from the energy performance certificates and the respective floor areas and volumes of the properties (to check the plausibility of the inputs from the energy performance certificates) are particularly relevant for the calculation of the financed emissions from the real estate portfolio. Emissions from real estate investments for which no data were provided were extrapolated using approximations from an external specialised financial service provider for NACE code 68.2 (Renting and operating of own or leased real estate).

In some cases, properties are used by the Company itself. In these cases, it was necessary to distinguish the emissions of the properties used for own use (electricity consumption, heat and cooling from Scope 1 and 2) from those of the properties used by third parties (Scope 3.15) or to deduct them in Scope 3.15.

With regard to the estimates made, reference is made to chapter ESRS 2 BP-2 "Information relating to specific circumstances".

Total VIG Scope 3 emissions are calculated based on a combination of available activity data. In VIG's internal operations, emissions from air travel were partly calculated on the basis of primary data using the exact flight kilometres reported by the companies. The percentage of primary data used to calculate emissions in internal operations in the reporting year is 33%. The emissions data in underwriting (corporate and retail) were calculated entirely on the basis of secondary data. In asset management, the emissions were calculated largely based on data from an external database provider, which also contains estimates. For this reason, the share of emissions calculated with the aid of the external database provider cannot be referred to as primary data. The exact share of primary data used for the calculation in asset management cannot yet be disclosed in the reporting year. For 4.88% of the emissions data for VIG's real estate portfolio, it was possible to refer to primary data.

The following table provides an overview of the greenhouse gas emissions calculated in the reporting year, categorised by scope. In addition, the emissions of the base year and the percentage change compared to that year are shown. As already described in chapter E1-4 "Targets related to climate change mitigation and adaptation", the scope of emissions for individual portfolios included in the transition plan for climate change mitigation differs from the presentation of emissions in the table below. The milestones and the measurement of progress in terms of emissions in accordance with the transition plan for climate change mitigation are therefore shown in a separate table on page 128 for the sake of comparability.

	Base year 2023	Retrospective Reporting year 2024	Change in %
Scope 1 GHG emissions [1]			
Gross Scope 1 GHG emissions (tCO_2eq)	19,490	18,538	-4.88%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.00%	0.00%	
Scope 2 GHG emissions [2]			
Gross location-based Scope 2 GHG emissions (tCO_2eq)	19,301	21,195	9.81%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	19,755	17,678	-10.51%
Significant scope 3 GHG emissions			
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)			
6) Business traveling	1,101	1,345	22.16%
15) Investments			
Underwriting (Corporate)	680,105	654,634	-3.75%
Underwriting (Retail)	1,911,887	1,956,328	2.32%
Asset Management (Corporate Bonds and Equities and other non-fixed-interest securities) [3]	13,343,356	10,603,806	-20.53%
Asset Management (Government Bonds)	2,979,043	2,375,284	-20.27%
Asset Management (Real Estate) [4]	111,064	102,847	-7.40%
At equity companies [5]	n. a.	3,714	n. a.
Total GHG emissions			
Total GHG emissions (location- based) (tCO_2eq)	19,065,347	15,737,691	-17.45%
Total GHG emissions (market- based) (tCO_2eq)	19,065,801	15,734,174	-17.47%

1) The biogenic greenhouse gas emissions from the combustion or biodegradation of biomass (Scope 1) amount to 592 tCO_2e in the reporting year.

2) The biogenic greenhouse gas emissions from the combustion or biodegradation of biomass (Scope 2) amount to 7,717 tCO_2e (location-based) and. 6,036 tCO_2e (market-based).

3) The emissions from asset management (corporate bonds and equities and other non-fixed-interest securities) shown in the table are not comparable with the emissions from the transition plan for climate change mitigation, as Scope 3 emissions are not taken into account in this plan. The GHG emissions from asset management excluding Scope 3 amount to 1,545,956 tCO_2e in the reporting year.

4) Greenhouse gas emissions from properties rented within VIG were not recorded in the required data quality in the reporting year. This resulted in double counting of emissions in Scope 1 and 2 and in the real estate portfolio in Scope 3.15. Efforts are underway to improve data quality.

5) The base year emissions of at equity companies are not disclosed, as these companies were not yet included in VIG's reporting scope in 2023, and a retrospective calculation of the emission data was not possible due to missing energy metrics.

As can be seen in the table, the Gross Scope 1 GHG emissions fell by 5% compared to the previous year, which is due in part to the reduction in total fossil energy consumption in VIG as shown in chapter E1-5 "Energy consumption and mix". Gross Scope 2 GHG emissions (location-based) increased by 10% year on year. This is partly due to the fact that the calculation of location-based emissions is based on the average emission factors of the local energy supply and an increase in the purchase of energy from renewable sources is not directly reflected in the location-based greenhouse gas balance sheet. Gross Scope 2 GHG emissions (market-based), which take into account the increase in renewable energy sources, decreased by 11% compared to 2023. There was a 22% increase in Gross Scope 3 GHG emissions caused by business travel by plane in internal operations. Overall, the location-based Scope 1–3 emissions from VIG's internal operations increased by 3%, whereas the market-based Scope 1–3 emissions from internal operations decreased by around 7%. When comparing emissions with the previous year, however, it should be noted that the emission values for the base year 2023 for all non-insurance companies of VIG are based on estimates, since these companies are new to the VIG reporting scope and the energy metrics were not yet being collected in the base year.

Underwriting (corporate) saw a 4% reduction in insurance-associated emissions compared to the previous year. This reduction is partly due to the lower industry-weighted emission intensities of the external data provider used to calculate the emissions. Despite the growth of the portfolio over the last year, a lower emissions total was recorded in the reporting year.

In underwriting (retail), emissions from the motor portfolio increased by 2%. This can partly be explained by the fact that the number of vehicles included in the calculation that have motor third party liability insurance (in accordance with the PCAF standard) has increased by around 7%. In terms of average emissions per vehicle, however, a reduction of 4% was recorded in the reporting year compared to the previous year.

In asset management, there was a reduction of 21% in emissions from corporate bonds and equities and other non-fixed-interest securities compared to the previous year. This reduction is due in part to the fact that bonds from companies that are frequent issuers have expired and allocations have been made to other issuers in accordance with the ESG investment strategy. The increase in the degree of coverage is another influencing factor. Investee companies are increasingly publishing their issue data, and the proportion of estimated data has been significantly reduced as a result. Furthermore, the proportion of companies with particularly high greenhouse gas emissions has decreased. In addition, there has been an improvement in the quality of the data provided by the external data provider Government bond emissions also fell by 20% compared to the previous year. This reduction was mainly due to changes in the underlying data from the external data provider, which led to lower absolute emissions being recorded for high-emission countries. Emissions from the real estate portfolio decreased by around 7% compared to the previous year. This decline was due in part to targeted individual actions taken as well as to the slight increase in the proportion of calculated emissions compared to the previous year, which meant that fewer estimated emissions were required. This improvement in data quality allowed emissions to be measured more accurately, resulting in lower emissions.

Overall, a reduction of 17% in total greenhouse gas emissions (both location-based and market-based) was recorded compared to the base year. Over the coming years, there is expected to be a further reduction in greenhouse gas emissions as a result of the targeted actions in the transition plan for climate change mitigation and additional future initiatives.

The following table shows the portfolios selected as part of the transition plan for climate change mitigation and their emissions in the base year and the reporting year. In addition, the milestones for 2030 in accordance with the transition plan for climate change mitigation and the current progress towards achieving them are presented.

Portfolios in accordance with the Transition Plan for climate change mitigation	Base year 2023	Reporting year 2024	Change in %	Target year 2030	Annual % target / Base year
Scope 1-3 GHG emissions (internal operations) (tCO_2e)	38,066	35,912	-5.66%	27,027	19.51%
Scope 3 GHG emissions					
15) Investments					
Underwriting (Corporate) (tCO_2e)	680,105	654,634	-3.75%	485,633	13.10%
Asset Management (Corporate Bonds and Equities and other non-fixed-interest securities) (tCO_2e)	1,218,310	898,726	-26.23%	869,874	91.72%

As already described in chapter E1-4 “Targets related to climate change mitigation and adaptation”, an overarching reduction target has been set for Scope 1–3 emissions from internal operations. In the reporting year, a reduction of 6% was achieved compared to the previous year. Around 20% of the planned emission reductions in internal operations were achieved in the reporting year in relation to the 2030 milestone.

As already described, a 4% reduction in emissions was recorded in the underwriting (corporate) sphere of impact. In terms of the milestone, target achievement of 13% is therefore guaranteed in the reporting year. When comparing emissions from the underwriting (corporate) portfolio, it should be noted that the portfolio and thus the basis for calculating emissions may vary from year to year.

There was a 26% reduction in the emissions from corporate bonds and equities and other non-fixed-interest securities in the asset management sphere of impact recorded in the transition plan for climate change mitigation. With regard to the milestone set for 2030, 92% of the planned emission reductions were already achieved in the reporting year.

On the basis of the actions set out in the transition plan for climate change mitigation, emissions will be gradually and sustainably reduced in the coming years.

GHG intensity based on net revenue

The following table summarises the intensity of VIG's greenhouse gas emissions. VIG's total greenhouse gas emissions are shown in relation to the revenue disclosed in the consolidated financial statements. The insurance service revenue – issued business, rental income from investment property and other income (service turnover) were recorded as revenue.

GHG intensity per net revenue (according to ESRS)	2023	2024	Change
	t CO_2e/EUR	t CO_2e/EUR	in %
Total GHG emissions (location-based) per net revenue	0.0017	0.0013	-25.90%
Total GHG emissions (market-based) per net revenue	0.0017	0.0013	-25.92%

The following table shows the reconciliation of the relevant revenue to the corresponding items in the consolidated balance sheet.

Type of turnover used to calculate GHG intensity	Income statement item	Reference to Consolidated Financial Statements	2023 Amount (EUR '000)	2024 Amount (EUR '000)
Insurance turnover	Insurance service revenue – issued business	Page 158	10,921,825	12,138,477
Real estate income (from rented properties of insurance companies as well as real estate holding companies)	Rental income from investment property	Page 219	194,758	214,139
IFRS 15 turnover from non-insurance companies	Other income (other revenue from services)	Page 233	121,222	166,429
Total net revenue			11,237,805	12,519,045

SOCIAL INFORMATION

ESRS S1 OWN WORKFORCE

The following section describes the requirements associated with ESRS 2.

Strategy

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

VIG takes into account the interests of its employees, which are determined directly by surveys, meetings and consultations. Feedback on working conditions, safety and well-being is taken into account in decision-making to ensure that impacts, risks and opportunities are properly managed. In addition, employees and, where applicable, their representatives are regularly informed about important company decisions. In cooperation with non-governmental organisations, VIG incorporates the perspectives of vulnerable groups and minorities in initiatives and keeps up to date on challenges and procedures for promoting diversity, equality and inclusion (for further information, see ESRS S1-2 "Processes for engaging with employees and employees' representatives about impacts"). These exchanges enable VIG to stay up to date on emerging challenges and existing practices, and thus develop programmes and policies that promote diversity, equality and inclusion within the workforce. A fundamentally respectful approach creates a supportive, inclusive environment that is consistent with ethical practices and respect for human rights.

This commitment is in line with VIG's commitment to ethical principles and underpins the management of both positive and negative impacts on the workforce. The following principles of the UN Global Compact are supported in connection with own workers:

Human Rights
- Principle 1: within their sphere of influence, businesses should support and respect the protection of internationally proclaimed human rights and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour
- Principle 3: businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,
- Principle 4: the elimination of all forms of forced and compulsory labour,
- Principle 5: the effective abolition of child labour and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

VIG's own workforce includes both people who are in an employment relationship ("employees") and non-employees.

Employees consist of staff in both office and field staff roles. Non-employees are individuals who do not have a direct employment relationship with VIG but provide work either as self-employed people or through third-party undertakings.

Flexible work models, training and development programmes, family-friendly, health- and diversity-promoting initiatives, and fair remuneration that largely exceed legal and/or collective agreement requirements are provided for VIG's own workforce. Training measures cover topics such as the Code of Business Ethics, anti-corruption and data protection. Implementing a diversity strategy in internal operations creates opportunities that both strengthen VIG's reputation and attractiveness as an employer and promote team spirit and inclusiveness. This is achieved by ensuring equal opportunities for all, regardless of personal background, in line with the requirements of the Company's own workforce.

Impact, risk and opportunity management

DISCLOSURE REQUIREMENT S1-1 – POLICIES RELATED TO OWN WORKFORCE OF THE COMPANY

Policies to manage material impacts, risks and opportunities (IROs)

Binding documents have been established in VIG to manage the material impacts, risks and opportunities identified for its own workforce, e.g. the Code of Business Ethics and documents on the topics of remuneration, fit & proper, and data protection (see MDR-P "Policies adopted to manage material sustainability matters"). Policies relating to the protection of whistleblowers are described in G1-1 "Business conduct policies and corporate culture". In addition to these, VIG predominantly adopts policies and comprehensive actions to support health and safety in the workplace, adapting them to the specific country where necessary. By continuously improving these practices, VIG creates a supportive, inclusive and fair working environment. These practices are regularly reviewed to ensure they remain relevant and effective in addressing emerging risks and opportunities in the workforce.

Diversity is a high priority at VIG and is a core value in the VIG mission statement and part of the HR strategy. By applying diversity management to all employees, VIG expects to generate corresponding diversity in the candidate pool for successor planning in the long term. It is applicable throughout the Group and at the same time enables flexible, local implementation. At Holding level, it focuses on the criteria of gender, generations and internationality.

- Gender: ensure equal gender treatment in all areas (career and development options, benefits and income, etc.)
- Generations: use mixed-age teams and take into account the various phases of life to develop full potential (generation-appropriate offers and support in the various phases of life, learn from one another, life balance, fair recruitment)
- Internationality: Group-wide exchange of know-how (local expertise), collaborative learning, use of the internal Group job market and ensuring an appropriate mix of people from different countries within VIG

The criteria of gender, generations and internationality are also taken into account when new Supervisory Board Members are proposed for election at General Meetings. Furthermore, VIG embraces the concept of local entrepreneurship, thereby also strengthening internationality at the Managing Board level of VIG. The VIG Holding Diversity Advisor advises local VIG companies on diversity management issues as needed.

Flexibility in how actions are implemented locally gives rise to a broad spectrum of actions and solutions. They range from diversity training to mentoring programmes to promote learning across generations and nationalities. Numerous other VIG actions and projects can be found in the "best practice book" created by the VIG Holding Diversity Advisor. This book is intended for internal use and acts as a source of inspiration for learning and information-sharing throughout the Group. The actions described in the book include training and awareness-raising on the importance of diversity. For example, it mentions workshops for managers on managing cultural differences, as well as e-learning courses for all employees that are designed to promote understanding and acceptance of diversity.

Human rights commitment

VIG is committed to upholding high standards of ethical conduct and human rights. As a signatory to the UN Global Compact, VIG is committed to the ten principles associated with it (see chapter ESRS 2 "SBM-1 – Strategy, business model and value chain"), which include the protection of human rights, fair labour practices, environmental sustainability and anti-corruption. Each year, VIG publishes the consolidated non-financial report on its website as part of its commitment to the UN Global Compact.

Human rights are also enshrined in the Code of Business Ethics, which underpins VIG's commitment to fair and ethical business practices. In its internal operations, VIG emphasises good working conditions and the recognition of employee rights, thereby promoting a culture of respect and fairness. Potential human rights violations can be reported through the locally established channels and to VIG Holding. Further details on the internal reporting system are described in ESRS 2 MDR-P "Policies adopted to manage material sustainability matters".

VIG is committed to upholding international human rights and states its opposition to forced and child labour and discrimination in its Code of Business Ethics. In addition, VIG respects the rights of employees, such as freedom of assembly, collective agreement negotiations and the election of representatives. The relevant legal provisions in the respective countries apply as minimum standards for VIG.

Workplace accident prevention actions

The companies of VIG ensure a safe and healthy working environment for their employees. Depending on the local circumstances, the companies have either adopted a workplace accident prevention policy that incorporates the main principles and guidelines for safety or introduced specific accident prevention actions. Both approaches take into account the size, nature and complexity of the respective companies and show that VIG is consistently committed to the well-being of its employees and places a high value on continuously improving safety practices in the workplace.

Policies aimed at the elimination of discrimination

VIG is committed to a fair working environment, and this is reflected in its internal requirements. These commitments are anchored in the Code of Business Ethics, the Group Policy Fit & Proper and the diversity strategy. For more details, see chapter MDR-P "Policies adopted to manage material sustainability matters".

To prevent and address discrimination, the majority of VIG companies have established confidential reporting mechanisms, allowing employees to report concerns related to discrimination or harassment through secure channels. In addition, some companies offer voluntary training on discrimination and harassment.

At the company level, HR and/or Compliance departments are responsible for enforcement, ensuring adherence to both internal guidelines and legal requirements.

DISCLOSURE REQUIREMENT S1-2 – PROCESSES FOR ENGAGING WITH EMPLOYEES AND EMPLOYEES' REPRESENTATIVES ABOUT IMPACTS

Engaging with own workers and workers' representatives

It is important to VIG that its employees are actively involved in decisions and activities that impact them. Workers' representatives are consulted appropriately at companies that have them. Employees can, for example, be involved in the planning, implementation and review of actions. Participation opportunities include (online) events, surveys and feedback in direct contact with employees, employee interviews and focus groups. There are also various feedback mechanisms, such as annual appraisals, idea management systems, onboarding actions and exit interviews, which can vary depending on local needs. These mechanisms enable comprehensive and ongoing input from employees at different levels of the organisation.

The responsibility for ensuring that employee engagement takes place lies primarily with the Human Resources department in most VIG companies. In the final instance, responsibility lies with the top management level.

VIG continuously assesses the success of its employee engagement efforts by analysing feedback from employee surveys and interviews. In 2024, around 15,000 employees were surveyed by Great Place to Work©. 27 fully consolidated insurance companies including branch offices, two pension funds and five other companies from the areas of IT, Asset Management and Assistance, among others, participated in the survey. Employees were asked about credibility, respect, pride, team spirit and fairness. The results of these assessments inform decision-making processes, leading to the further development of existing policies and the introduction of new initiatives that better address employee needs. Regular reviews ensure that inclusion procedures are effective to drive positive change.

Vulnerable groups and minorities

Some VIG companies work with non-governmental organisations (NGOs), social enterprises and non-profit organisations that promote the rights of vulnerable groups and minorities, such as myAbility (support for persons with disabilities), Pride Biz Austria and connecting people. These partnerships enable VIG to stay informed about best practices and emerging issues. Training on diversity, equality and integration is also offered. The aim of this training is to promote an integrative workplace culture and enable employees to actively contribute to a fair working environment.

DISCLOSURE REQUIREMENT S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR EMPLOYEES TO RAISE CONCERNS

Processes to remediate negative impacts

VIG promotes the physical and mental health of its employees and also offers flexible working time models and family-friendly initiatives. Depending on the local circumstances, sports programmes, psychosocial support and cooperations with fitness providers are available. In addition to actions to improve well-being, great emphasis is also placed on a culture of open communication, which includes the opportunity for employees to express their questions and concerns via various channels. If the concerns involve a possible violation of the principles of the Code of Business Ethics, they can be reported to local compliance officers via the local channels based on the responsibilities defined in the respective Group companies, as well as via other means. In addition, employees can report concerns relating to potential violations of regulatory requirements to Compliance (incl. AML) of VIG Holding within the framework of the internal whistleblowing channels set up at VIG Holding level. There are also whistleblowing policies at local level, where provided for by law. For more information on whistleblowing, see the ESRS MDR-P "Policies adopted to manage material sustainability matters" and ESRS G1-1 "Business conduct policies and corporate culture".

DISCLOSURE REQUIREMENT S1-4 – TAKING ACTION ON MATERIAL IMPACTS AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS AND APPROACHES

Plans and actions adopted to address material IROs

VIG is dedicated to managing material impacts on employees by implementing appropriate actions in its companies. To support the implementation of health, safety and well-being initiatives, VIG designates teams and departments responsible for developing and overseeing these programmes, which work collaboratively with external consultants and internal stakeholders to ensure the programmes are well-resourced and effective in mitigating risks.

Funds are available in particular for issues such as mental health care, programmes to strengthen an appropriate leadership culture and initiatives for diversity, equality and inclusion. Many local VIG companies invest in both in-house services — such as healthcare professionals — and external partnerships to provide comprehensive support for employees. They also invest in training programmes and personnel development initiatives to strengthen leadership skills and ensure that employees acquire the skills they need to drive their career development. VIG employees can participate in international training and development programmes. Depending on local requirements and possibilities, the local companies provide additional opportunities for employees.

Regular employee surveys and feedback mechanisms are a key source of information for assessing the effectiveness of these actions, and the majority of local companies allocate resources to evaluate and deduct further steps.

Actions to prevent or mitigate potential negative impacts on employees

In many VIG companies, employees are offered comprehensive professional development programmes. For key players and employees in key functions, there is also the opportunity to complete special training courses. Management programmes place a special focus on the promotion of existing and future leadership talents within the organisation.

In order to assess the effectiveness of these initiatives or to assess the impact and success of these actions, most VIG companies rely on surveys such as those conducted by

Great Place to Work©. The results demonstrate VIG's commitment to being a responsible employer and offering a respectful working environment. Employees' suggestions are also analysed in detail and serve as the basis for the company's continuous development.

Identification of suitable actions in response to negative impacts

VIG takes a structured approach to identifying appropriate actions in response to both actual and potential negative impacts on its workforce. Many local companies regularly provide health and safety reviews to identify potential risks and proactively address them. When incidents occur, the causes are identified and resolved. In addition, some companies use the services of external health and safety consultants, who carry out independent assessments and make recommendations.

Several VIG companies also use employee surveys to obtain feedback on both actual and potential negative impacts on health, safety and well-being. Based on the findings from audits, surveys and incident reports, action plans are developed. Furthermore, many companies have established incident reporting systems that allow employees to confidentially report health and safety concerns. In addition to regular meetings, cross-functional working groups are convened as required. These groups develop solutions and use the expertise of all departments to implement appropriate action plans.

Ensuring that VIG practices do not contribute to negative impacts

The aim of VIG is to ensure that internal requirements do not cause or contribute to any material negative impacts on its own workforce. In this context, all VIG companies are obliged to protect the personal data of their employees in accordance with the applicable data protection regulations. Data access is restricted to authorised personnel and there are security actions (see chapter ESRS 2 MDR-P "Policies adopted to manage material sustainability matters") to protect against unauthorised access or misuse of employee data.

Planned and ongoing actions to mitigate material risks and pursue opportunities

VIG has implemented a range of actions to mitigate potential risks arising in its own business operations. These are described under "Plans and actions adopted to address material IROs". VIG companies also strictly adhere to relevant labour laws and regulations to mitigate potential legal and reputational risks.

In order to achieve a large and diverse pool of talent and to ensure inclusion and equal opportunities regardless of personal background, VIG uses modern recruitment methods. This includes actions such as recruitment via social media and the implementation of diagnostic procedures to ensure an objective selection process. Training on unconscious bias is also provided for recruitment teams and managers to improve objectivity. Some local companies have also set up recruitment platforms and actively participate in job fairs and similar events. With a view to pursuing opportunities that benefit employees, VIG promotes career advancement opportunities for all employees, for example through mentoring programmes, training courses and further development initiatives.

Metrics and targets

DISCLOSURE REQUIREMENT S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

The objectives of the VIG Human Resources strategy, which relate to ESRS S1 "Own workforce", include the perception of VIG as a diverse, innovative, learning organisation. In addition, managers should ensure a positive working environment and support employees with future challenges. The strategy also aims to further strengthen the feedback culture. Employee motivation and commitment are important for the long-term success of a company. VIG therefore strives to be an attractive employer who promotes equal opportunities, employee centricity and diversity. In addition, VIG supports its employees in obtaining the skills (personal and professional) required for their work through further training. Many training programmes are designed locally by the respective companies so that they can be tailored as much as possible to existing employee needs. Actions that will best support individual employees in their development are usually discussed in regular target & talent talks led by HR departments. The proportion of employees who have taken part in this is shown under S1-13 “Training and skills development metrics”.

DISCLOSURE REQUIREMENT S1-6 – CHARACTERISTICS OF THE UNDERTAKING’S EMPLOYEES

The following metrics provide information on the gender distribution and the total number of employees by contract type, gender and region (basis: head count).

Employees by gender

Gender	Number of employees (head count)
Male	13,155
Female	21,286
Other[1]	0
Total number of employees	**34,441**

1) Gender according to the employees' own statements. The gender ‘other’ is not shown in the other tables.

Employees by contract type and gender

	Female	Male	Total
Head count			
Total number of employees	21,286	13,155	34,441
Number of permanent employees	19,654	12,401	32,055
Number of temporary employees	1,632	754	2,386
Number of non-guaranteed hours employees	439	209	648

Employees by contract type and region

	Austria	Czech Republic	Poland	Extended CEE	Special Markets	Group Functions	Total
Head count							
Total number of employees	6,451	6,321	3,303	12,984	4,635	747	34,441
Number of permanent employees	6,179	5,551	3,003	12,042	4,585	695	32,055
Number of temporary employees	272	770	300	942	50	52	2,386
Number of non-guaranteed hours employees	0	244	366	23	0	15	648

Fixed-term contracts are only used in certain situations, such as parental leave replacements or, where needed, for projects. There are no seasonal employees. Due to national circumstances, some VIG companies employ people without guaranteed working hours. These employees are assigned to different areas of the company as required, including for administrative support. They are mainly student employees and temporary workers. During the reporting period, 7,400 employees left a company of VIG.

Employee turnover based on the head count as of 31 December 2024 is 21%. This figure also includes retirement and transfers within VIG, for example.

DISCLOSURE REQUIREMENT S1-7 – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING’S OWN WORKFORCE

A total of 7,315 non-employees work for VIG. The data were collected by head count as of 31 December 2024, and no average calculation was performed over the required period.

Non-employees work predominantly as self-employed people and to a lesser extent through third-party undertakings.

Self-employed people are considered to be non-employees if they work independently, determine their own working time, are not organised as a legal entity, work exclusively for VIG brands and – in the case of self-employed insurance agents – have dfs carried out transactions for a company of VIG Group during the reporting period.

Persons employed by a third-party undertaking are considered to be non-employees if they work under the direction or instruction of a VIG company. This includes, in particular, persons who take on regular tasks from permanent employees at the same location, for example as a substitute during an absence.

DISCLOSURE REQUIREMENT S1-8 – COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

In total, 34% of employees are covered by collective bargaining agreements. The employees that are not covered by a collective bargaining agreement work in companies in which collective bargaining agreements are not applicable due to national circumstances. These countries, for example, have qualification-based minimum wages or internal company pay scales.

In many companies, the top management level is excluded from agreements regulated under collective bargaining agreements. Since the segment allocation includes both EEA and non-EEA countries, the country is shown in the following table.

Information on collective bargaining coverage and social dialogue

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees - EEA (for countries with >50 empl. representing >10% total empl.)	Employees - Non-EEA for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0–19%	Czech Republic	Türkiye	Czech Republic
20–39%			
40–59%			
60–79%			
80–100%	Austria		Austria

DISCLOSURE REQUIREMENT S1-9 – DIVERSITY METRICS

The top management levels were defined as the members of the Supervisory Board, the members of the Managing Board and the first management level below the Managing Board members (Board-1) of the insurance companies. The following table shows the gender distribution at these levels of the insurance companies. With regard to the diversity metrics of VIG Holding, see chapter GOV-1 "The role of the administrative, management and supervisory bodies".

	Supervisory Board		Managing Board		Board-1	
	Number	in %	Number	in %	Number	in %
Male	108	78.83%	109	77.86%	482	56.71%
Female	29	21.17%	31	22.14%	368	43.29%

The following table shows the distribution of all VIG employees by age group:

Employees	2024
Head count	
under 30 years old	6,838
30-50 years old	18,875
over 50 years old	8,728

DISCLOSURE REQUIREMENT S1-10 – ADEQUATE WAGES

VIG ensures that all its employees receive adequate wages and that the local minimum requirements (statutory minimum wage, collective bargaining agreements etc.) are always met or exceeded. Required qualifications and the duties and responsibilities of the position in question are all taken into account when setting remuneration levels. The relevant policies are regularly reviewed and, if necessary, adapted.

DISCLOSURE REQUIREMENT S1-11 – SOCIAL PROTECTION

VIG guarantees social protection for all employees in accordance with the locally applicable legal provisions. This includes protection against loss of income due to sickness or unemployment from the start of employment with VIG, due to employment injury and acquired disability, and due to parental leave and retirement. The protection is guaranteed subject to applicable law and taking into account any applicable collective bargaining agreements in the respective country.

DISCLOSURE REQUIREMENT S1-12 – PERSONS WITH DISABILITIES

As part of VIG's commitment to diversity and inclusion, the percentage of persons with disabilities in the workforce is reported. As of 31 December 2024, 2% of the workforce is designated as persons with disabilities in accordance with local regulations. VIG is committed to creating an inclusive working environment that takes into account the needs of all employees and ensures equal opportunities for persons with disabilities.

DISCLOSURE REQUIREMENT S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

As part of its commitment to the growth and further development of all employees, VIG attaches great importance to regular target and talent talks. These are essential to align individual objectives with the strategic objectives and to provide valuable mutual feedback.

The following tables show the average number of training hours per employee and the percentage of employees who have participated in performance and career development reviews (broken down by gender and employment category).

Average hours of training per employee	2024
Number	
Gender	
Male	39.45
Female	32.01
Employment category	
Office staff	23.92
Field staff	45.94

Employees who have participated in regular performance and career development reviews	2024
in %	
Gender	
Male	78.74
Female	76.82

The difference in training hours between employees in sales and administration is mainly due to the legal requirements of the Insurance Distribution Directive (IDD), which stipulates a certain level of training for persons involved in insurance distribution.

DISCLOSURE REQUIREMENT S1-14 – HEALTH AND SAFETY METRICS

In line with its commitment to the well-being of its employees, VIG ensures that the majority of its employees are protected by a health and safety management system that complies with legal requirements and recognised standards.

The data were collected as of 31 December 2024 and no average calculation was performed over the required period. 99% of employees and 3% of non-employees are subject to health and safety management based on legal requirements and/or recognised standards or guidelines.

No fatalities were reported in the Company's own workforce or among other employees working on the Company's premises due to work-related accidents or work-related ill health. Furthermore, no cases of recordable work-related ill health were reported with regard to employees. In the reporting year, 65 recordable work-related accidents (in accordance with local regulations, including commuting accidents, if applicable) were recorded within the own workforce. The rate of work related injuries per 1 million hours worked is 1.18.

A total of 1,067 days were lost due to work-related accidents with regard to employees.

DISCLOSURE REQUIREMENT S1-15 – WORK-LIFE BALANCE METRICS

VIG attaches great importance to life balance and to respectful and cooperative collaboration and creates a working environment where employees are able to reconcile their professional and personal priorities. A number of actions being developed by the local Group companies in line with the needs of their employees promote this balance and include initiatives for physical and mental health as well as offers for flexible working and family-friendliness. One-hundred percent of employees are legally entitled to family-related leave in accordance with local legal provisions. Of the eligible employees, 10% took advantage of this leave. The distribution by gender is shown in the following table.

Employees that took family-related leave	2024
in %	
Male	26.01
Female	73.99

DISCLOSURE REQUIREMENT S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

As the leading insurance group in Central and Eastern Europe, VIG operates in countries with different economic conditions. This was taken into account in the calculation of the compensation metrics by adjusting the salary data for purchasing power differences using Purchasing Power Parities (PPP) (Eurostat).

The gender pay gap is calculated as the difference between the average gross hourly pay level of male and female employees, expressed as a percentage of the average gross hourly pay level of male employees. VIG's unadjusted gender pay gap is 31%. The unadjusted gender pay gap does not take into account individual factors such as function, hierarchy level, qualification, professional experience and industry specifics and is therefore only of limited significance. Taking into account only a hierarchical structure produces the following values:

Adjusted Gender Pay Gap	2024
in %	
Top management level	12.50
Management directly below the top management (board-1)	21.46
Other employees	24.77

The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) is 27:1.

The salary data of around 7000 employees of Austrian VIG companies were used as the basis for determining the median of the annual total remuneration of all employees (excluding the highest-paid individual). Based on the distribution of these data, the median for VIG as a whole was derived – taking into account the average remuneration of the Group companies outside Austria, adjusted for purchasing power. The data were adjusted for differences in the extend of employment. All persons employed as of 31 December 2024 in all areas of work (office and field staff) and at all hierarchy levels (top management, management directly below the top management (Board-1)) were taken into account.

All fixed and variable remuneration components and one-off payments received in the reporting year were taken into account in the calculation of the remuneration metrics. Expense allowances such as per diems and expenses were not included.

DISCLOSURE REQUIREMENT S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Minimum standards are defined in the Code of Business Ethics and described in ESRS 2 MDR-P “Policies adopted to manage material sustainability matters”. A total of seven cases of discrimination, including harassment, were reported for the reporting year. No further complaints were reported in this context. The total amount of fines, penalties and compensation for damages as a result of incidents and complaints of discrimination, including harassment, amounted to EUR 13,051 in the reporting period. VIG is not aware of any severe human rights incidents connected to its own workforce during the reporting period, nor have there been any complaints submitted to the National Contact Point for OECD Multinational Enterprises.

ESRS S4 CONSUMERS AND END-USERS

The following section describes the requirements associated with ESRS 2.

Strategy

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

For VIG, the scope of ESRS S4 “Consumers and end-users” includes retail customers as well as small and medium-sized sole proprietorships operated by natural persons. The assignment to this customer segment is based on the customer’s view and is not product-dependent. Corporate customers, internal operations and capital investments do not fall under the scope of ESRS S4. If the customer is a legal entity, it is classed as a corporate customer.

The identified negative impacts relate to the provision of adequate and understandable information for policyholders and the protection of personal data. The positive impacts are facilitated by needs-based products and services provided by VIG for policyholders. Detailed information on this is provided in the chapter “Strategic principles” on page 10 of the Group Annual Report or under MDR-P “Policies adopted to manage material sustainability matters”. A general increase in demand for private provision products and/or for a wider range of health care products is confirmed in a study on demographic change and the demand for life insurance by the German Insurance Association (GDV). VIG views this as an opportunity. The identified risks relate to the possibility of using misleading information when offering products that meet ESG criteria (greenwashing) and the violation of data protection regulations.

Consumers and end-users are equally affected by the identified impacts, risks and opportunities. Risk provisions are implemented equally for all policyholders. Both opportunities and risks were analysed equally for all consumers and end-users.

Impact, risk and opportunity management

DISCLOSURE REQUIREMENT S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

The key policies adopted to manage the described impacts, risks and opportunities, as already described under MDR-P “Policies adopted to manage material sustainability matters”, are the VIG strategic and sustainability programmes, the commitment to the UN Global Compact, the Code of Business Ethics, requirements relating to data protection and risk management, and the Fit & Proper policy. The Insurance Distribution Directive (Directive (EU) 2016/97, IDD) is a material EU requirement in the context of ESRS S4 “Consumers and end-users”, as it ensures customer protection, consumer protection and minimum European harmonisation in insurance distribution. It sets out specifications for products, advice and remuneration and obliges insurance and reinsurance companies to train all employees involved in sales and in managerial positions in order to ensure that customers are given the best possible advice. In addition, the majority of VIG insurance companies have implemented guidelines for the appropriate handling of complaints from policyholders. The Group Policy Life Insurance addresses product design, portfolio, sales and risk management and the avoidance of greenwashing in life insurance. VIG insurance companies have also implemented various local requirements to ensure that policyholders receive adequate and understandable information.

- Product information guidelines for the creation and distribution of product information are designed to ensure that brochures, websites and other materials contain accurate, up-to-date and easy-to-understand information.
- Marketing communication specifications set out standards to ensure that the insurance companies correctly present the product content in summary form and that they comply with the legal requirements and are not misleading.
- Standards for digital communication ensure that product information can be exchanged across different channels in a consistent, secure and easily accessible manner.
- Customer segmentation enables customer-oriented product communication based on the corresponding characteristics of the policyholders (e.g. age or risk profile).
- Training enables employees to gain a comprehensive understanding of the available products in order to ensure expert communication.
- Enquiries are answered in accordance with specifications that are intended to ensure timely and fact-based communication.
- Provisions for providing feedback help continuously improve communication.

VIG respects human rights and is committed to the principles of the UN Global Compact. Further details can be found in ESRS 2 MDR-P "Policies adopted to manage material sustainability matters".

Personal data are processed with the utmost care and in accordance with data protection regulations.

The local insurance companies have introduced feedback mechanisms, for example in the form of stakeholder surveys. Further details can be found in S4-2 "Processes for engaging with consumers and end-users about impacts".

To ensure that the rights of consumers and end-users are protected, most of the insurance companies have set up complaints offices. Brokers, agents and other intermediaries are also contact persons for expressing concerns and can provide information about the possible grievance mechanisms.

DISCLOSURE REQUIREMENT S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

The local VIG insurance companies continuously and systematically collect feedback from policyholders. This creates a deeper understanding of needs, which leads to an improvement in service quality. The findings include statements about service quality, clarity of the information provided and general satisfaction with the services offered. The local insurance companies are in direct contact with policyholders via various communication channels such as surveys, feedback forms and special portals. These channels make it possible to capture a broad and representative range of perspectives.

The local insurance companies endeavour to take the interests of policyholders into account in different phases. The decision on the different coverage variants is the responsibility of the policyholders or the brokers authorised by them. Prior to the conclusion of an insurance contract, local insurance companies concentrate on raising awareness and educating by informing potential customers about the respective product range, e.g. through marketing campaigns, webinars, information brochures or relevant content on the websites (pre-contractual information, contract conditions, key information documents). Local insurance companies also offer face-to-face consultations, chat support and/or tailored insurance consulting tools for different distribution channels. During the conclusion of the contract, the insurance companies support their customers by providing advice in the application process, customer services and online tools in accordance with the customers' respective sales access. During the term of an active insurance contract, the local insurance companies maintain regular communication with policyholders via telephone, email, online chat, or by sending newsletters containing the latest information. Training programmes for the various intermediaries ensure professional development, as required under the Insurance Distribution Directive (IDD).

Since policyholder support depends heavily on the respective sales partners and is an ongoing process, the local insurance companies also conduct regular reviews, for example, using feedback forms at various customer contact points (either directly or through sales partners). This enables continuous assessment of policyholders' needs.

In the event of a loss occurence, there are various possibilities for reporting a loss. This includes direct reporting to insurance brokers, via online platforms or customer service centres, by email or even by letter or fax. The aim is to provide policyholders with the best possible support in the claims process. When a claim is reported to an insurance intermediary or a customer service centre, it is also determined which documents have already been submitted and which still need to be provided. The online process is designed to ensure that claims are submitted as fully as possible from the outset, with the goal of obtaining the necessary documentation as quickly as possible to facilitate swift claims processing. If an expert assessment is required, the local insurance company initiates the process.

Surveys and interviews conducted after claims have been processed provide valuable insights into the claims handling process and policyholder satisfaction. If complaints arise, it is important to determine whether they are due to a lack of coverage or whether there are potential areas for improvement in the claims process.

The contract renewal process depends on the relevant legal requirements for renewal. During the renewal phase, local insurance companies prepare offers in accordance with local legal requirements. They also gather feedback at this stage to further improve their services.

The quality of the customer relationship is evaluated using various indicators. One of the most common metrics is the Net Promoter Score (NPS), which measures the likelihood that policyholders would recommend VIG services. In addition, some local insurance companies evaluate satisfaction using the Customer Satisfaction Score (CSAT). Another important metric is the time in which complaints are resolved or clarified. Feedback analyses are also carried out, and these can be used to derive trends and additional findings.

No disadvantaged consumer groups were identified in the double materiality assessment. Disclosure Requirement

S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

In order to ensure the protection of the rights of consumers and end-users, a complaint management system has been established, which is organised decentrally within the Group. The insurance companies offer their policyholders various options for expressing their concerns and needs (such as service helplines or online complaint portals). Reported incidents and the actions to be derived from them are examined individually.

Consumer complaints and concerns are recorded in various formats, including the date on which the complaint regarding the claim is received and the date it was answered. Key aspects include the time required to respond to complaints and the identification of reasons for repeated complaints. In addition, insurance companies within the EU are obliged to send regular reports on customer complaints to their respective national supervisory authority.

Agents and other intermediaries providing services to policyholders on behalf of VIG, as well as brokers acting on behalf of policyholders, serve as key points of contact for raising concerns and informing customers about available grievance mechanisms. At the same time, VIG ensures that intermediaries, agents and other intermediaries have the opportunity to obtain feedback. In addition, brokers who work on behalf of VIG are offered ongoing training that focuses on the concerns of policyholders.

Customer interactions are managed by the respective local insurance companies. To facilitate exchange within VIG, a Customer Experience (CX) centre has been set up in Poland. This centre collaborates with local VIG companies on customer experience matters and discusses with the participating insurance companies which developments in core insurance processes should be shared with other VIG insurance companies.

DISCLOSURE REQUIREMENT S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND EFFECTIVENESS OF THOSE ACTIONS

The professional training and development of sales staff ensures that the persons involved in insurance distribution have the necessary knowledge and skills. In addition, the local insurance companies offer different products and services according to the needs of local policyholders. These include among others:

- Life insurance policies that take ESG criteria into account, such as unit- and index-linked life insurance policies.
- Insurance products with environmental added value, which are intended to promote environmentally friendly mobility and energy-efficient construction, provided that they are financially sustainable.
- Insurance for innovative, sustainable technologies with a focus on renewable energy in Central and Eastern Europe.
- Integration of various digitalisation solutions within the core insurance processes, whereby the communication process is to be modernised and gradually simplified across the various stages.

The effectiveness of the actions taken in terms of achievement of the desired result is assessed by means of satisfaction measurements. Further details on this are provided in S4-2 “Processes for engaging with consumers and end-users about impacts”.

VIG insurance companies invest in the further development of the online platforms for the conclusion of contracts, contract information and claims reporting in order to provide appropriate information to policyholders. VIG also drives the development of tools to improve customer experience and the promotion of innovative insurance solutions. One example of this is the introduction of telematics tariffs that reward safe driving. These initiatives are primarily designed to close any insurance gaps, particularly those of existing customers. Products are offered in accordance with local market conditions and customer requirements in order to ensure appropriate insurance coverage. VIG insurance companies decide on the respective design of products based on local market requirements (e.g. medical infrastructure). These actions are aimed at adapting to the changing needs of policyholders and ensuring a high level of satisfaction. Further actions are described in S4-2 “Processes for engaging with consumers and end-users about impacts”.

The implementation of Group-wide IT standards ensures data security. For more details, see MDR-P “Policies adopted to manage material sustainability matters”. VIG companies are subject to data protection regulations that determine how personal information is collected, used and protected.

Personal data are processed securely in accordance with data protection regulations, and IT systems are updated regularly in order to eliminate potential vulnerabilities. VIG has established reliable processes for dealing with data breaches, including a procedure for informing the affected policyholders and the supervisory authorities in accordance with the statutory provisions.

In addition, VIG uses encryption technologies throughout the Group to ensure that data, even if intercepted, remain unreadable without the appropriate authorisation. Regular internal and external audits and risk assessments are intended to identify any vulnerabilities and to enable continuous improvement of security actions. In addition, regular security checks are carried out by external specialists. VIG regularly assesses and monitors the data security procedures of its providers and partners throughout the Group in order to ensure that they comply with the applicable security standards and take appropriate security actions. This is implemented by the local companies.

In view of the increasingly sophisticated strategies used by cyber criminals, local insurance companies regularly inform their employees about cyber threats. Well-trained employees play a key role in the defence against IT security attacks. In addition, VIG has established a comprehensive programme to protect against the increasing cyber threats. VIG companies are served by three competence centres (Cyber Defense Centers) in Austria, Poland and the Czech Republic. This covers all VIG companies within the scope of the Digital Operational Resilience Act (DORA) and companies with the same IT service provider. VIG IT systems are continuously monitored for signs of a cyber security incident. The Cyber Defense Center programme is complemented by information events and employee awareness campaigns.

The aim of VIG is to ensure full compliance with statutory data protection regulations and to ensure transparency towards policyholders regarding the use and disclosure of their data. In the event of a data breach, the affected data subjects and the competent authorities will be informed immediately in accordance with the statutory provisions. Data breaches are continuously analysed by the local data protection responsible persons. The findings are used to avoid similar incidents and to continuously improve processes. Further information on the data protection management system can be found under ESRS 2 MDR-A "Actions and resources in relation to material sustainability matters". In the reporting year, 80 data breaches were reported to the relevant data protection authorities in accordance with the local statutory provisions. A Romanian Group company has been fined EUR 3,000 by the local data protection authority due to deficiencies in connection with the technical and organisational measures taken by a data processor. A Georgian Group company has been fined EUR 700 by the local data protection authority for a breach in connection with an input dialogue on the company's website; the company has appealed.

IT security incidents are reported to the Chief Information Security Officer of VIG Holding on a monthly basis. Critical incidents are reported immediately to the Chief Information Security Officer and the Holding Managing Board member responsible for IT.

To prevent greenwashing in life insurance, the VIG Group Policy Life Insurance has been adjusted through the use of transparent and verifiable sustainability criteria, such as independent certification, the disclosure of investment strategies and the provision of clear definitions of sustainable products. Information for policyholders is presented in accordance with the regulatory requirements. In non-life insurance, there is no clear definition of how products should be classified as "green". The Group Guideline Non-Life Underwriting therefore refers to different sources that must be observed if a product is defined as "green or sustainable".

In response to the identified risks, such as greenwashing or data protection breaches, VIG implements various measures, such as complaint channels and training for employees, which are not identical for all VIG companies due to differing local circumstances. This approach ensures that each insurance company can take action in line with its local requirements. Further details can be found in S4-3 “Processes to remediate negative impacts and channels for consumers and end-users to raise concerns”.

Requirements that are intended to ensure that own business practices do not have any material negative impacts on consumers and end-users are described in ESRS 2 MDR-P “Policies adopted to manage material sustainability matters”.

For the reporting year, the local insurance companies were also asked about non-compliance with the UN Guiding Principles on Business and Human Rights, the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. No incidents have been reported in this regard.

It is not possible to present the resources for managing the material topics in ESRS S4 “Consumers and end-users” separately, as this forms part of VIG’s core business and is supported by comprehensive actions throughout the Group.

Metrics and targets

DISCLOSURE REQUIREMENT S4-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

A comprehensive and continuous engagement approach is used to take account of the various interests, which the insurance companies develop further with the aim of continuous improvement. Detailed information can be found in S4-3 “Processes to remediate negative impacts and channels”. Policyholders are kept informed of the Company’s progress towards achieving these targets thanks to improved services. Findings or opportunities for improvement can be found in S4-2 “Processes for engaging with consumers and end-users about impacts”.

GOVERNANCE INFORMATION

ESRS G1 BUSINESS CONDUCT

The following section describes the requirements associated with ESRS 2.

Governance

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 GOV-1 – THE ROLE OF THE ADMINISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES

VIG Holding is committed to applying and complying with the Austrian Code of Corporate Governance (ÖCGK), which is the standard for good business conduct and corporate control in Austria. The Managing Board, Supervisory Board and employees consider observance of and compliance with the rules of the Austrian Code of Corporate Governance to be highly important for the practical implementation of corporate governance.

Strategy

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In relation to internal operations, the material impacts identified are reflected in the contribution to a fair and sustainable economic system through appropriate business conduct. The material risks in internal operations relate in particular to potential non-compliance with regulatory requirements, in particular under supervisory law, the possible consequences of inadequate IT security actions and data protection breaches, which may result in reputational damage, penalties and other financial losses. In addition, there is a risk of reputational damage due to the insurance of or investment in undertakings with inappropriate business practices or challenges in relation to their own reporting, e.g. due to the lack of disclosure of sustainability-related information.

Impact, risk and opportunity management

DISCLOSURE REQUIREMENT RELATED TO ESRS 2 IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The processes for identifying material impacts, risks and opportunities, including all relevant criteria, are described in chapter IRO-1 “Description of the process to identify and assess material impacts, risks and opportunities”.

Numerous internal policies, guidelines and operating procedures exist in VIG to ensure compliance with applicable regulatory requirements and voluntary commitments, to promote a culture of integrity and to ensure ethically correct conduct, as well as to actively manage material risks and opportunities. Examples include the Code of Business Ethics, the Group-wide policies and guidelines on the compliance management system, data protection, prevention of money laundering, risk management, Fit & Proper, IT security, procurement, and the commitment to the principles of the UN Global Compact. Details on individual key governance documents are described above in section ESRS 2 MDR-P “Policies adopted to manage material sustainability matters”. In addition, the Group Guideline Prevention of Money Laundering and Terrorist Financing is important in this context. This guideline is based on the requirements of the 4th and 5th EU Anti-Money Laundering Directives and the Austrian Financial Markets Anti-Money Laundering Act and applies to those VIG companies that are required to comply with anti-money laundering and anti-terrorist financing regulations on account of European or national requirements. VIG Holding and the VIG companies support international efforts to prevent the abuse of the financial system for the purposes of money laundering and terrorist financing and strive to identify and verify their customers in accordance with the know-your-customer (KYC) principle, check the origin of funds and identify and monitor transactions that appear suspicious, report them to the responsible authorities if necessary and reject or terminate them if necessary. The anti-money laundering officers of VIG Holding and the relevant Group companies play a central role in this area. The function of the anti-money laundering officers must be set up in such a way that they are responsible to the full Managing Board and report directly to the Board — without any intermediate levels.

DISCLOSURE REQUIREMENT G1-1– BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

VIG actively fosters an appropriate corporate culture through a variety of initiatives. This includes defining fundamental principles for cooperation, promoting employee engagement, offering training and development opportunities, introducing incentive schemes, fostering open communication and promoting diversity and inclusion. In addition, onboarding is used as an important time to familiarise new employees with the corporate culture. Other actions include the social commitment of VIG to the communities in their respective countries, the conduct of employee surveys and the continuous improvement of working conditions and related initiatives. Some actions are explained in more detail below.

Clear communication channels

Complete, reliable information is needed to make sound strategic decisions. The Group therefore has experts who provide the Managing Board and local company management with in-depth analyses to support them in their decision-making. Clearly defined channels of communication ensure the necessary exchange between individual Group companies and VIG Holding.

CO^3

The CO^3 experts department increases interaction and the exchange of experience between the Group companies and provides strategic input for the positioning of the Group.

Training programmes

VIG Holding offers comprehensive training programmes for employees on topics such as compliance, international sanctions and the Code of Business Ethics.

People are at the heart of the Group

VIG respects the cultures and traditions of the various countries and markets in which it offers its insurance services, and it is committed to equal opportunities in the recruitment and development of its employees. This commitment is underlined by the Group's diversity strategy and the appointment of a Diversity Advisor at VIG Holding. VIG regularly organises workshops, conferences and cross-departmental and cross-company projects that encourage employees to network and communicate effectively. These initiatives promote a positive working environment, strengthen trust and improve overall team dynamics. VIG is aware that investing in team building not only increases morale, but also productivity and innovation. Further information can be found under S1-1 "Policies related to own workforce of the company".

Compliance management system

The Group-wide compliance management system is a key part of the measures for managing material impacts, risks and opportunities. Alongside the Code of Business Ethics, this system forms the core of the overall concept for ensuring ethical and legally compliant conduct in internal operations and in relationships with customers, business partners, shareholders and the general public. The compliance management system also provides for mechanisms for reporting perceived conduct that is potentially in conflict with regulatory and ethical requirements as well as voluntary commitments. The Group-wide compliance management system is continuously being evaluated and developed further. Further information on the Code of Business Ethics, the Group Policy Compliance Management System, the Group Guidelines on Procurement Principles and other individual governance documents can be found in section ESRS 2 MDR-P "Policies adopted to manage material sustainability matters".

Like the Group itself, the Compliance organisation also has a decentralised structure. It is represented by the Group Compliance Committee, which consists of the local compliance officers and the head of Compliance (incl. AML) of VIG Holding. Compliance officers are appointed in all (re)insurance companies and in certain non-insurance companies, in particular asset management companies and pension funds. These individuals are responsible for supporting and developing the local compliance management system. In addition to monitoring changes in the legal environment and recommending necessary actions, the tasks of the compliance officers include identifying and assessing compliance risks, taking actions to prevent breaches, advising employees and the members of the local managing boards and/or local supervisory boards, monitoring existing procedures and handling compliance incidents. Beyond these duties, the local compliance officers also have comprehensive regular and ad hoc reporting obligations to the local managing board and/or the Supervisory Board and Compliance (incl. AML) of VIG Holding. This includes the annual compliance report as well as reports on regulatory audits and the results thereof, precisely defined compliance incidents, and conflicts of interest involving certain groups of persons. A separate Group guideline and a Holding guideline on conflicts of interest ensure a common understanding of this matter and define minimum standards for handling conflicts of interest. The local compliance officers are assisted, supported, steered and monitored by Compliance (incl. AML) of VIG Holding.

Reporting breaches

Internal and external persons can report any observations of misconduct to the compliance officers both at the level of the individual Group companies and at the level of VIG Holding. In line with the Austrian Whistleblower Protection Act (Hinweisgeber:innenschutzgesetz), which implemented the EU's Whistleblower Directive in Austria, VIG Holding has set up the VIG Whistleblower Portal as an internal reporting channel to allow for secure and confidential reporting—at any time and anonymously—perceived violations of the statutory provisions named in the Whistleblower Protection Act. Perceived violations in other legal areas can be reported to a dedicated email address (whistleblowing@vig.com) and by post to Compliance (incl. AML) of VIG Holding, for the attention of the VIG Compliance Officer. Information on this can be found both on the Intranet and on the VIG website under https://group.vig/en/whistleblowing. Regardless of the chosen reporting channel, all reports will reach Compliance (incl. AML) of VIG Holding. Their validity is then reviewed in line with the provisions of confidentiality, employee protection, and data protection. In a VIG Holding committee, consisting of members from the Compliance (incl. AML), General Secretariat & Legal, Human Resources and Internal Audit, every incoming report is evaluated regardless of whether it concerns a subsidiary or VIG Holding, and follow-up actions are recommended if necessary. The follow-up actions are taken in accordance with the process specifications of the Internal Audit department.

In VIG Group, process specifications for handling whistleblowers are implemented in local governance documents and in accordance with the local legal framework. Group companies based in the EU are subject to the requirements of the EU Whistleblower Directive, which prescribes the establishment of internal reporting channels and the protection of whistleblowers. Accordingly, all insurance companies of the Group with their registered office in the EU have corresponding reporting channels. Outside the EU, insurance companies have also set up processes in this regard in accordance with local regulations, with a few exceptions (see MDR-P "Policies adopted to manage material sustainability matters"). The most frequently offered reporting channels are dedicated email mailboxes and face-to-face meetings; some companies have set up their own whistleblowing hotline. In addition, some non-insurance companies have implemented actions to protect whistleblowers in accordance with the applicable laws.

VIG Holding continued its extensive range of training programmes on compliance topics during the reporting year. New employees were required to complete a general compliance training as well as trainings on preventing market abuse and on international sanctions. Furthermore, there was also a mandatory compliance e-learning programme. This included modules on data protection, information security, code of conduct, anti-corruption and money laundering prevention. The planning and implementation of training programmes in the Group companies is the responsibility of the respective company. The scope, target group, frequency and format of compliance trainings are therefore structured differently in the Group companies. For the functions within an organisation most at risk in relation to corruption and bribery, see section G1-3 "Prevention and detection of corruption and bribery" below.

DISCLOSURE REQUIREMENT G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

The aim of an effective compliance management system is, as described above under Disclosure Requirement G1-1 "Business conduct policies and corporate culture", to ensure compliance with all regulatory requirements applicable to an undertaking or group, as well as internal standards and voluntary commitments. This includes, in particular, the provisions on the prevention of corruption and bribery, on procurement principles and on the handling of potential conflicts of interest. The mechanisms described above for reporting breaches therefore also extend to this legal area. The relevant measures for the prevention and detection of corruption and bribery are embedded in the compliance management system and are therefore also included in Group policies and guidelines (see also G1-1 "Business conduct policies and corporate culture").

Incidents of corruption and bribery are compliance incidents that must be reported accordingly to Compliance (incl. AML) of VIG Holding. Reports of perceived incidents of corruption and bribery are handled in accordance with the locally defined responsibilities and in accordance with local statutory regulations. Both Compliance and Internal Audit—departments that are usually involved in receiving reports and processing perceived incidents of corruption and bribery—have a direct reporting line within the Group companies to the local managing board and are only responsible to the local managing board.

Non-insurance companies are included in the compliance management system of the insurance company controlling them on the basis of their individual risk situation, therefore some non-insurance companies do not themselves have in place the processes described above for preventing corruption and bribery. Individual insurance companies in the

Group plan to implement additional actions in this area in the coming years. The measures to prevent, detect and investigate reports of corruption and bribery are communicated in various ways, with most Group companies using their internal communication channels or training courses for this purpose. The Group's Code of Business Ethics, which includes the prevention of corruption and bribery as one of its 15 principles, is available at all times on the Group Intranet and website. As described above under G1-1, the planning and implementation of training programmes is the responsibility of the Group companies. The scope, target group, frequency and format of compliance trainings are therefore structured differently in the Group companies. In their annual compliance plans and compliance reports, which are sent to the local managing board and Compliance (incl. AML) of VIG Holding, the local compliance officers provide information on respective actions and their implementation. At VIG Holding, the subject of corruption and bribery is addressed in the mandatory general compliance training and the e-learning program. Respective awareness-raising actions are taken in this regard, where necessary. The following are defined as functions-at-risk, i.e. functions that are most at risk within the Company in relation to corruption and bribery: Managing Board members and managers one level below the Board. The percentage of these functions that completed training measures on corruption and bribery in VIG in the reporting year is not shown for this year as the corresponding data are not yet available in sufficient quality.

Each year, during a Supervisory Board meeting, the VIG Holding Managing Board provides comprehensive information to the Supervisory Board of VIG Holding on the precautions taken to combat corruption in VIG Holding. Locally, reports are made to the local managing board and, in some cases, to the local supervisory board by means of an annual compliance report.

MDR-A – Actions and resources in relation to material sustainability matters

As an insurance group, VIG operates in a highly regulated environment and contributes to the further development of this legal framework as a member of insurance associations or sector-independent industry associations. The aim is to contribute to practical, market-oriented and effective regulation through industry expertise and practical knowledge. VIG implemented comprehensive actions to manage material impacts, risks and opportunities. These are described in ESRS 2 MDR-A "Actions and resources in relation to material sustainability matters" as well as G1-1 "Business conduct policies and corporate culture" and G1-3 "Prevention and detection of corruption and bribery". Intensive work was also carried out on expanded greenhouse gas reporting during the reporting year and an ESRS Group policy was established, which serves as a binding framework for the fully consolidated VIG companies with regard to the annual reporting of non-financial information and describes the necessary processes and responsibilities. Material topics relating to IT security have also been identified in ESRS S4. The actions taken are described in S4-4 "Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions".

There is an ad hoc reporting obligation to Compliance (incl. AML) of VIG Holding for (potential) conflicts of interest identified by Group companies with regard to members of the supervisory board, members of the managing board and holders of governance or key functions. A corresponding guideline has also been drawn up for VIG Holding, which requires employees to identify conflicts of interest and avoid them in coordination with the respective managers. If this is not possible, they must define and implement appropriate actions for handling the relevant conflicts of interest together with the managers. If a conflict of interest cannot be avoided or adequately handled, a report must be made to Compliance (incl. AML) of VIG Holding.

The Group Guideline International Sanctions provides for the mandatory screening of all customers, business partners, recipients of payments and employees in relation to international sanctions. A sanction screening tool procured for the Group is used for this purpose. This tool is also used to screen for the status of politically exposed person in relation to anti-money laundering procedures. The tool also contains information on negative media reports and criminal prosecution.

As described in G1-1 “Business conduct policies and corporate culture”, VIG pursues a continuous improvement process for the actions taken, which takes into account the respective local requirements in accordance with the decentralised management approach. The time horizon for the continuous implementation of these actions ranges from short term to long term.

Metrics and targets

DISCLOSURE REQUIREMENT G1-4 – INCIDENTS OF CORRUPTION OR BRIBERY

No convictions or fines were reported in the reporting year in connection with violations of anti-corruption laws, and consequently no additional actions were taken.

DISCLOSURE REQUIREMENT G1-5 – POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

As an insurance group, VIG operates in a highly regulated environment and aims to contribute to the further development of this legal framework. VIG does this indirectly, in particular, through memberships in insurance associations or sector-independent industry associations. The European Affairs department at VIG Holding is the competence centre for these activities. The aim is to contribute to practical, market-oriented and effective regulation through industry expertise and practical knowledge. In addition, European Affairs supports the members of the Managing Board and the first management level below the Board in interpreting legal developments to ensure that these developments are considered in the strategy and business activities of the Group in a timely manner and in a way that is in line with the company’s interests. The employees of this department are subject to the Code of Business Ethics and take into account the business strategy, which includes the sustainability programme, and the Code of Conduct of the European Transparency Register in their day-to-day work. Responsibility for the European Affairs department lies with the Deputy Chairman of VIG Holding Managing Board.

VIG does not make any contributions, including donations and sponsorship payments, to political parties or persons related to them. This principle is also enshrined in the Code of Business Ethics.

In the reporting year, VIG dealt in particular with changes to prudential regulation (Solvency II Review, Insurance Recovery and Resolution), sustainability regulation (in particular the Corporate Sustainability Reporting Directive, CSRD, Corporate Sustainability Due Diligence Directive, CSDDD) and digitalisation (in particular the Digital Operational Resilience Act, DORA, Artificial Intelligence Act, AI Act). For all EU initiatives, the aim was to ensure that the new requirements were practical, market-oriented and effective, including through public consultations.

VIG Holding is registered in the European Transparency Register (see transparency-register.europa.eu/; VIG’s Transparency Register number is 720555724263-16). There were no further registrations in the Group in the reporting year.

Group-wide expenditures for compulsory memberships in insurance associations or sector-independent industry associations amounted to EUR 5.4 million in the reporting year, while those for voluntary memberships amounted to EUR 5.5 million. Contributions in the form of benefits in kind, including the provision of personal resources, were recorded based on estimates and amounted to around EUR 184,000. In the two years prior to being appointed to the Managing Board or Supervisory Board, one person held a comparable position in public administration, including regulators, during the reporting year.

ESRS G1 Additional entity-specific disclosures

VIG is aware of its responsibility towards customers, employees, shareholders, business partners, society and the general public as a whole. This goes hand in hand with its aim to achieve a positive impact – including through sponsorship, donations and corporate volunteering (company volunteering programmes), such as the group-wide Social Active Day. Corporate volunteering is also part of the sustainability programme (see MDR-P "Policies adopted to manage material sustainability matters"). It is particularly important to VIG to make a long-term commitment to its sponsorship partners. The principles followed in this regard are described in G1-5 "Political influence and lobbying activities". In 2024, donations and sponsorships were undertaken in the following areas:

Sponsorship	Amount of Activities	in EUR '000
Health/Sports	363	5,723
Environment	22	224
Art/Culture	359	4,620
Community/Social	192	1,192
Education/Science	94	954
Other initiatives	199	749
Total sponsorship	**1,229**	**13,461**
Donations		
Health/Sports	126	2,801
Environment	43	265
Art/Culture	37	551
Community/Social	274	1,045
Education/Science	263	599
Other initiatives	11	337
Donations total	**754**	**5,597**
Total sum	**1,983**	**19,058**

In addition to the categories listed in the above table, various initiatives were supported to help raise awareness of risk provision. The VIG Family Fund will continue to be available to employees of the Ukrainian companies for reconstruction in Ukraine. VIG also supported charitable causes, art projects and actions to improve road safety. In addition, VIG provided sponsorship for industry associations and events such as networking events.

VIG encourages its employees to volunteer for social projects. Every year, VIG demonstrates its support for social engagement, charity and solidarity internationally with its Social Active Day. As part of the Social Active Day, employees can dedicate one working day per year to actively supporting a socially important issue or project. In 2024, a total of 14,398 employees from 48 companies and 20 countries participated in the Social Active Day. This engagement can take many forms, from helping out in the social market to cooking for people on low incomes, supporting the soup counter, visiting care facilities, refugee shelters, neighbourhood centres or even gardening and collecting litter. What these activities have in common is people offering their time and energy for the benefit of their fellow human beings and the environment. Through these actions, VIG promotes a corporate culture characterised by responsibility for others and the environment and social engagement, contributing to environmental protection and improving the quality of life in all countries in which VIG operates. As employees and stakeholders are increasingly placing importance on environmental and social aspects, these corporate volunteering activities can have a positive impact on the perception of VIG as an attractive employer and on its general reputation.