

VIENNA INSURANCE GROUP

Investor Presentation



The Finest CEElection Investor Conference 2023

10 October 2023



WE ARE A WELL DIVERSIFIED AND SOLIDLY CAPITALISED INSURANCE GROUP WITH CONTINUOUS DIVIDEND PAYOUTS SINCE 1994

Represented in

30

markets

More than

50

insurance companies and pension funds

Around

29,000

employees serve roughly 28mn customers

S&P Rating

A+

with stable outlook

Solvency Ratio

280%

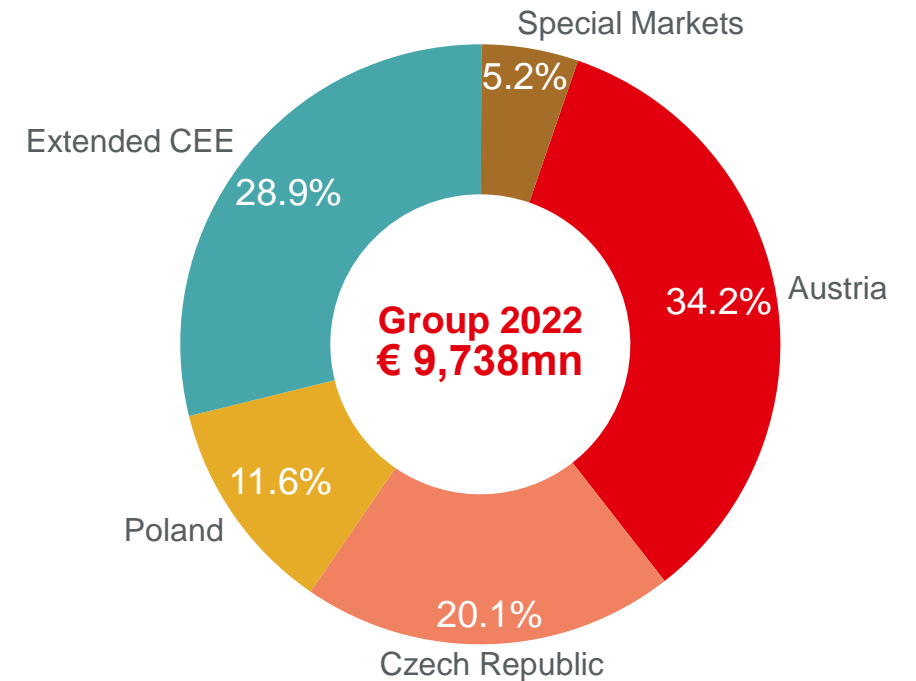
as of 31 December 2022

Dividend per share for 2022:

€1.30

Continuous dividend payout since 1994

Insurance service revenue¹



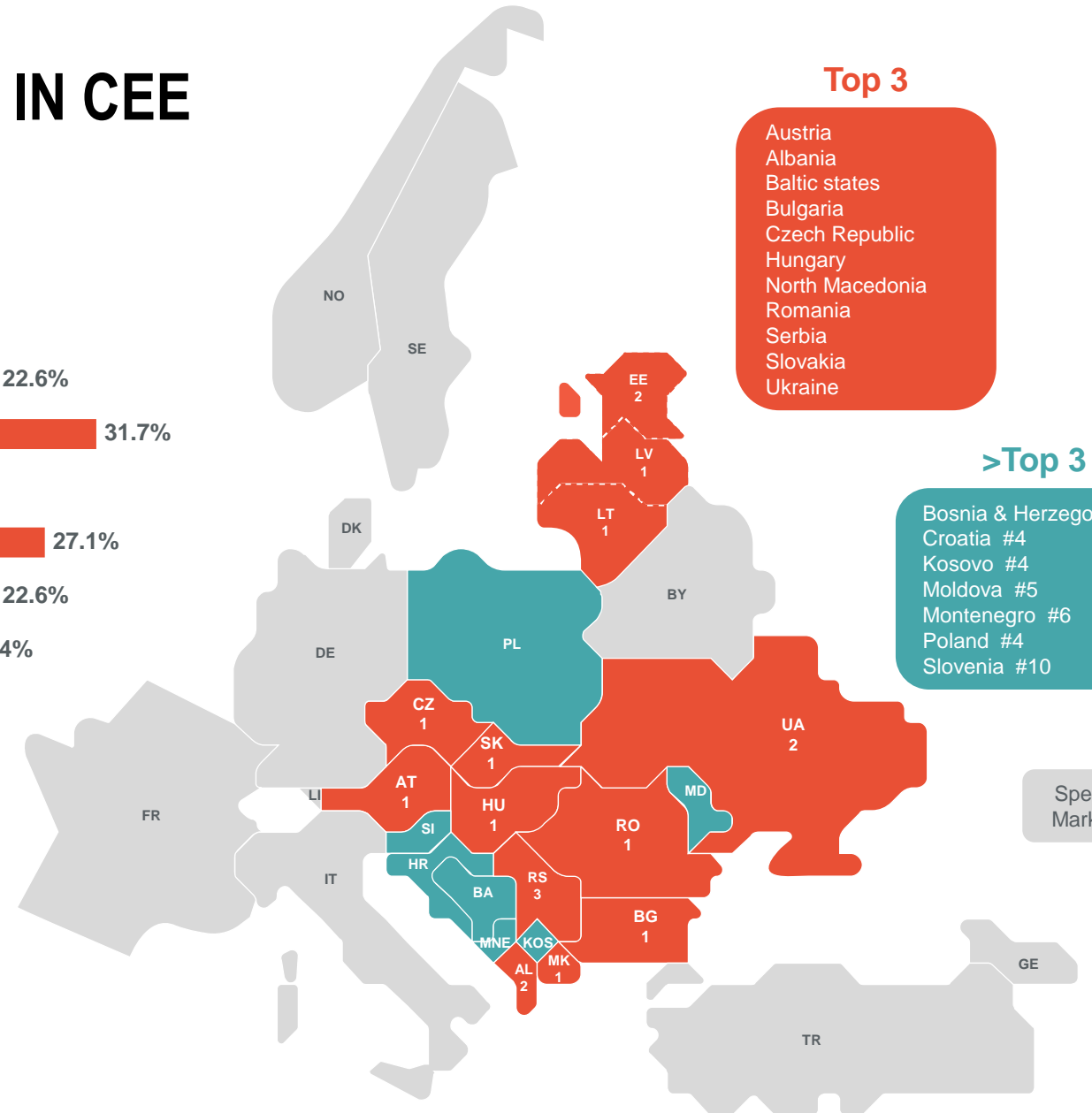
¹ IFRS 17/9 preliminary, unaudited data as of 31 December 2022



VIG – LEADING INSURANCE GROUP IN CEE

VIG as early mover with excellent market shares

Country	Market positions			Total Market Share
	Non-life	Life	Total	
Austria	1	1	1	22.6%
Czech Republic	1	1	1	31.7%
Poland	4	5	4	8.9%
Slovakia	2	1	1	27.1%
Romania	1	2	1	22.6%
Hungary	1	1	1	19.4%
Bulgaria	3	2	1	13.6%
Ukraine	2	6	2	11.5%



VIG operating in:

20 Core Markets + **10 Special Markets**

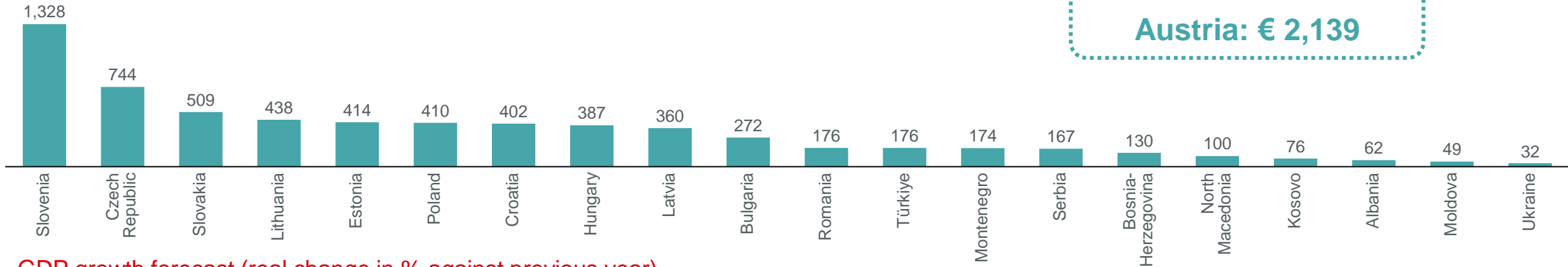
Source: local authorities; data FY 2022 (Ukraine Q3 2022)



TAKING ADVANTAGE OF THE LONG-TERM GROWTH POTENTIAL IN CEE

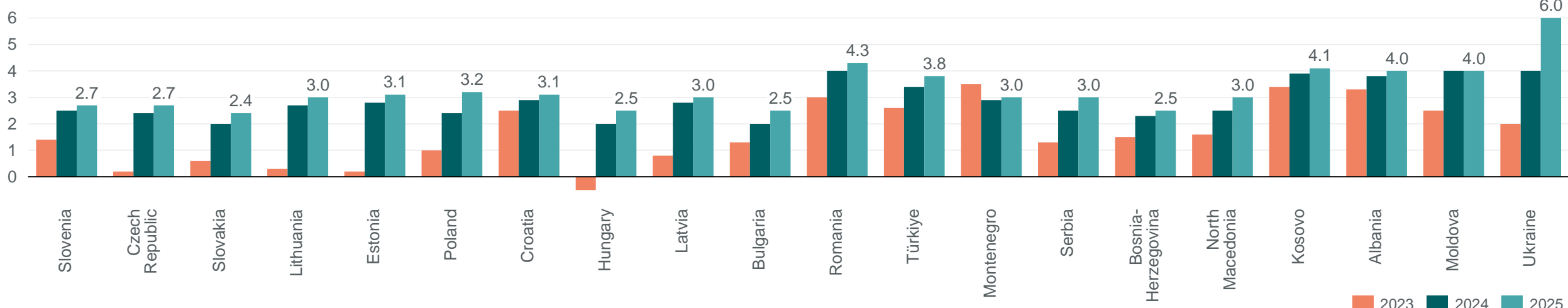
Annual insurance spending as indicator for growth potential

Insurance density 2022 (premiums per capita, in €)



Insurance density in 2022 in
Austria: € 2,139

GDP growth forecast (real change in % against previous year)



Source: VIG internal calculation (July 2023); wiiw Summer Forecast (July 2023)

2023 2024 2025

OUR SUCCESS IS FOUNDED ON A DIVERSIFIED AND RESILIENT BUSINESS MODEL BASED ON PROVEN MANAGEMENT PRINCIPLES



Local entrepreneurship

- Knowledge of local needs and markets
- Decentralised structures & efficient decision-making procedures
- VIG Holding responsible for steering the Group



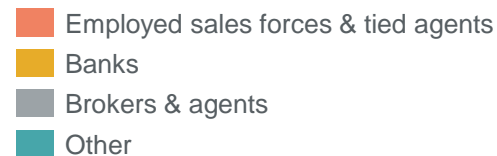
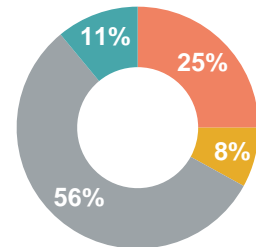
Multi-brand policy



- Utilisation of established local brands → Local identification through market-specific brand(s)
- “Vienna Insurance Group” underlines the Group’s internationality and strength

Multi-channel distribution

- Various distribution channels (incl partnership with Erste Group)
- Strongly customer-oriented distribution



Conservative investment and reinsurance policies

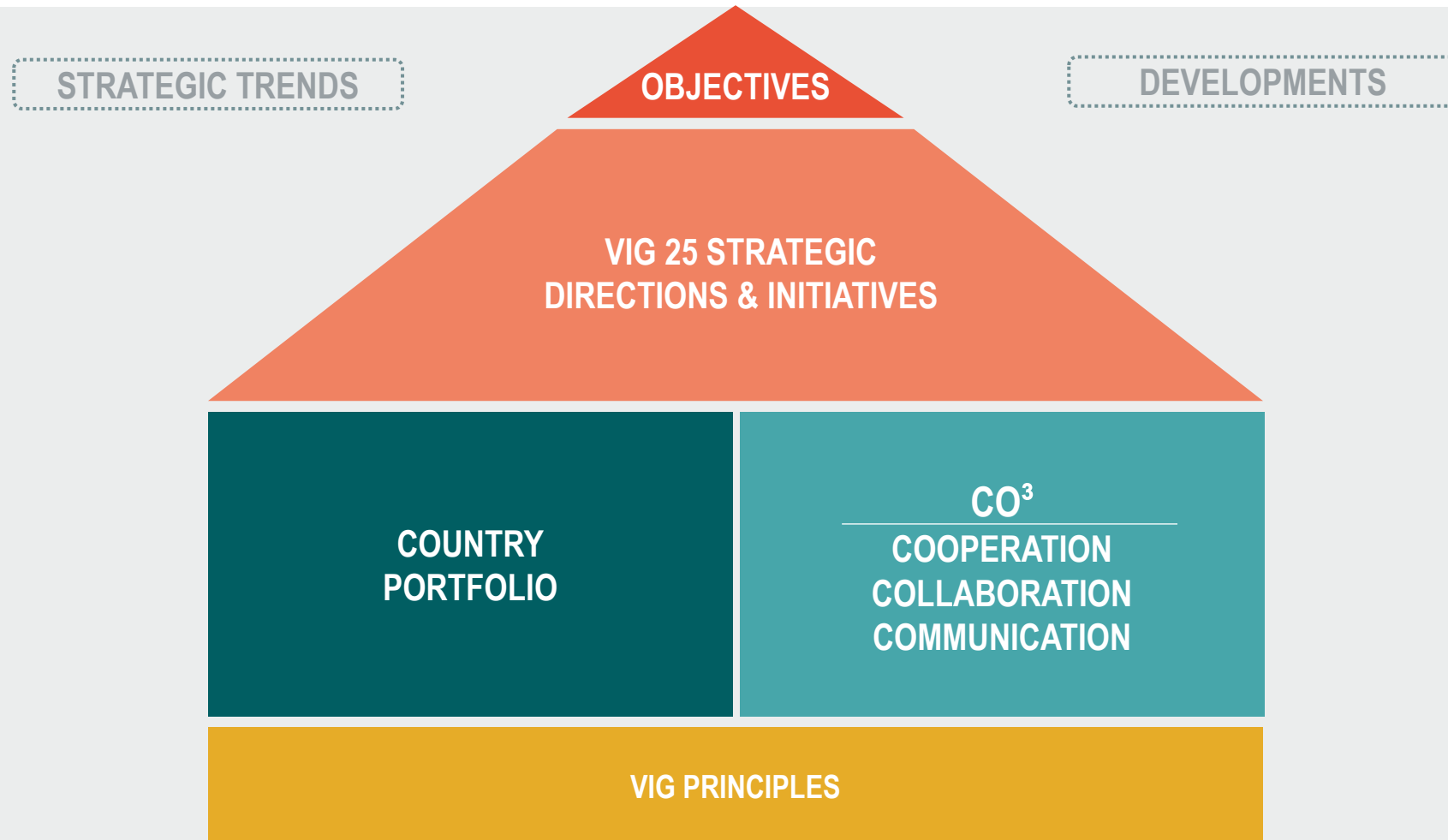


Financial assets according to IFRS 17/9

- Focus on secure and sustainable investments
- Spreading risk by means of diversification



CONSISTENT VIG 25 STRATEGIC PROGRAMME





GROUP-WIDE SUSTAINABILITY PROGRAMME COMPLEMENTS VIG 25 STRATEGIC PROGRAMME

Further strengthening sustainability as an integral part of our business model

VIG's Strategic Objectives



Expanding the leading market position in the CEE region



Creating sustainable value



Sustainability objectives with respect to environment, society, customers and employees



Key areas of VIG 25



Digital transformation

Further increasing the efficiency and productivity of the operating business thereby continuing and intensifying the associated digital transformation



Customer approach

Developing new ways to approach and retain customers in order to respond to changing consumer expectations and behaviours



Awareness of risk provision

Promoting consumer understanding of the importance of risk provisions



Sustainability

Further strengthening the concept of sustainability as an integral part and foundation of the business model



VIG 25 SECURES FURTHER DYNAMIC DEVELOPMENT

Initiatives and projects to optimise, enhance and expand VIG's business model

OPTIMISE	ENHANCE	EXPAND
<p>Operational excellence by</p> <ul style="list-style-type: none">▪ simplification of processes and automation▪ exchange and implement best practices▪ further optimisation in underwriting and pricing	<p>Create additional customer value and access including partnerships and platforms</p> <ul style="list-style-type: none">▪ increase visibility and attractiveness of products▪ moving towards a hybrid sales model	<p>Expansion of the value chain beyond insurance</p> <ul style="list-style-type: none">▪ focus on asset management▪ become more active in pension fund business

VIG 25 SUSTAINABILITY PROGRAMME

Sustainability in VIG means creating economic value today without doing so at the expense of tomorrow

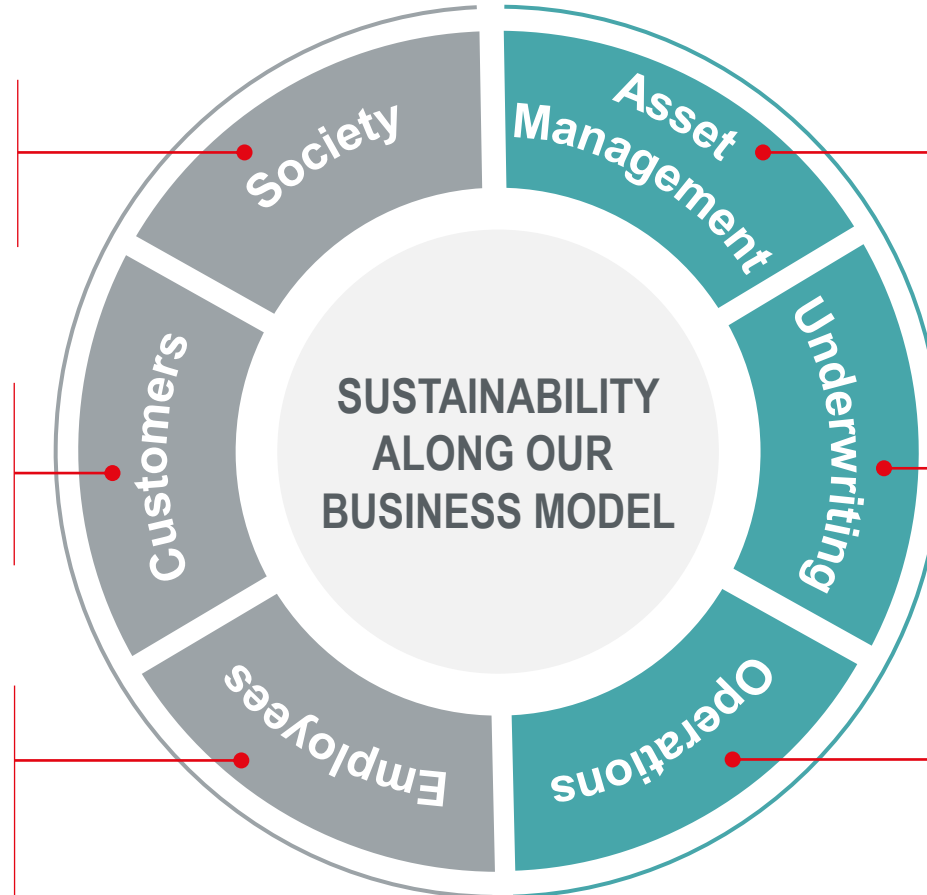
Social focus Environmental focus

Objectives

- Promote **risk literacy**
- Grow **corporate volunteering**

- Focus on **customer satisfaction**
- Close the **protection gap**

- **Attractive employer** with **equal opportunities** for all
- **Employee centricity**



Objectives

- Reduce **emissions** of investment portfolio to **net zero** by 2050

- Reduce **emissions** of **corporate** and **retail** underwriting portfolios to **net zero** by 2050
- Increase the **share of sustainable products**

- **Climate neutral** operation of our offices by 2030, **net zero** by 2050

VIG IN A NUTSHELL



6M 2023 RESULTS

APPENDIX

Please note: rounding differences may occur



RESULTS OVERVIEW 6M 2023

Strong performance in challenging environment

Insurance service revenue

€ 5,380.4mn

- 6M 2022: € 4,732.9mn

Profit before taxes

€ 462.9mn

- 6M 2022: € 212.0mn

Net Combined Ratio (P&C)

94.0%

- 6M 2022: 90.6%

Annualised earnings per share

€ 5.25

- Net profit after taxes and non-controlling interests of € 343.4mn

Operating Return on Equity

15.8%

- Annualised based on HY result
- 31/12/2022: 10.9%

Solvency Ratio

282%

- Own funds: € 11,134mn
- SCR: € 3,947mn

OUTLOOK 2023

Group profit before taxes in a range of € 700 – 750 million for full-year 2023 expected

- Subject to substantial interest rate changes and market volatilities
- Persisting extreme weather events expected to impact second half of 2023
- War in Ukraine with its far-reaching consequences ongoing
- Overall weaker macroeconomic environment and higher volatility on capital markets are further challenges

Due to increased earnings volatility under the amended accounting regime, the financial performance indicators and the dividend policy are currently being reviewed

- The first-time preparation of the half-year results in accordance with IFRS 9 and IFRS 17 already show the expected increased volatility of results due to the changed interest rate environment
- In particular, within the long-term life and health insurance business, especially those portfolios where the GMM is applied and the share of FVtPL classified investments has significantly increased compared to IAS 39, are affected



GROUP INCOME STATEMENT

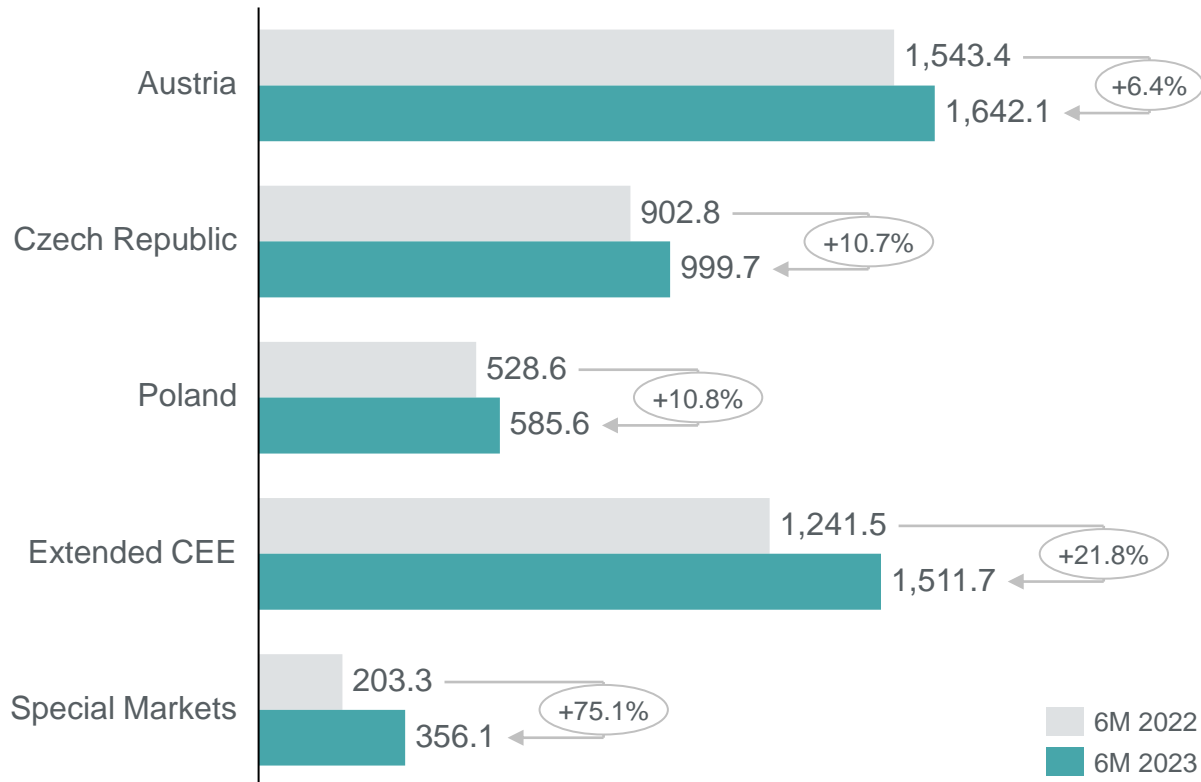
6M 2023 (€ mn)

	6M 2023	6M 2022	+/- %
Insurance service result	550.8	521.3	5.7
Insurance service revenue - issued business	5,380.4	4,732.9	13.7
Insurance service revenue (PAA)	4,160.5	3,662.0	13.6
Expected claims	527.2	499.6	5.5
Expected directly attributable expenses	275.6	215.5	27.9
Experience adjustment	-3.4	0.1	-
Change of risk adjustment	80.2	79.3	1.1
CSM release	340.2	276.4	23.1
Insurance service expenses - issued business	-4,807.4	-4,099.0	17.3
Incurred claims and directly attributable expenses	-4,811.0	-4,039.5	19.1
Other insurance expenses	3.6	-59.5	-
Insurance service result - reinsurance held	-22.2	-112.6	-80.3
Insurance service revenue - reinsurance held	-793.8	-690.8	14.9
Insurance service expenses - reinsurance held	771.6	578.2	33.5
Net investment result	233.4	-149.1	-
Investment result	1,098.4	-1,245.1	-
Income and expenses from investment property	30.0	23.4	28.6
Insurance finance result	-910.8	1,063.7	-
Result from at-equity consolidated companies	15.7	8.9	77.4
Finance result	-52.1	-42.7	22.0
Other income and expenses	-269.1	-117.5	>100
Business operating result	463.0	212.0	>100
Adjustments	-0.1	0.0	-
Result before taxes	462.9	212.0	>100
Taxes	-110.1	-57.1	92.8
Non-controlling interests	-9.4	-7.5	25.8
Result for the period after taxes and non-controlling interests	343.4	147.4	>100

- Positive development of the insurance service revenue in all segments; the increase results primarily from the dynamic premium development in PAA as well as from the higher CSM release in GMM and VFA
- Net investment result in the comparison period was burdened by measures taken (€ 126.1mn) in relation to Russian investment exposure; through the sale of Russian bonds in the first half of 2023 a profit of € 20.3mn was achieved; overall current income growing due to increased interest rate environment
- Result before taxes up by € 251mn; result in the first half of 2022 was significantly influenced by the interest rate development; contribution of the long-term life and health insurance business in 6M 2022 substantially lower
- Tax ratio of 23.8% (6M 2022: 26.9%)

INSURANCE SERVICE REVENUE OF 5.4 BILLION EURO UP BY 13.7%

Insurance service revenue by segments (€ mn)

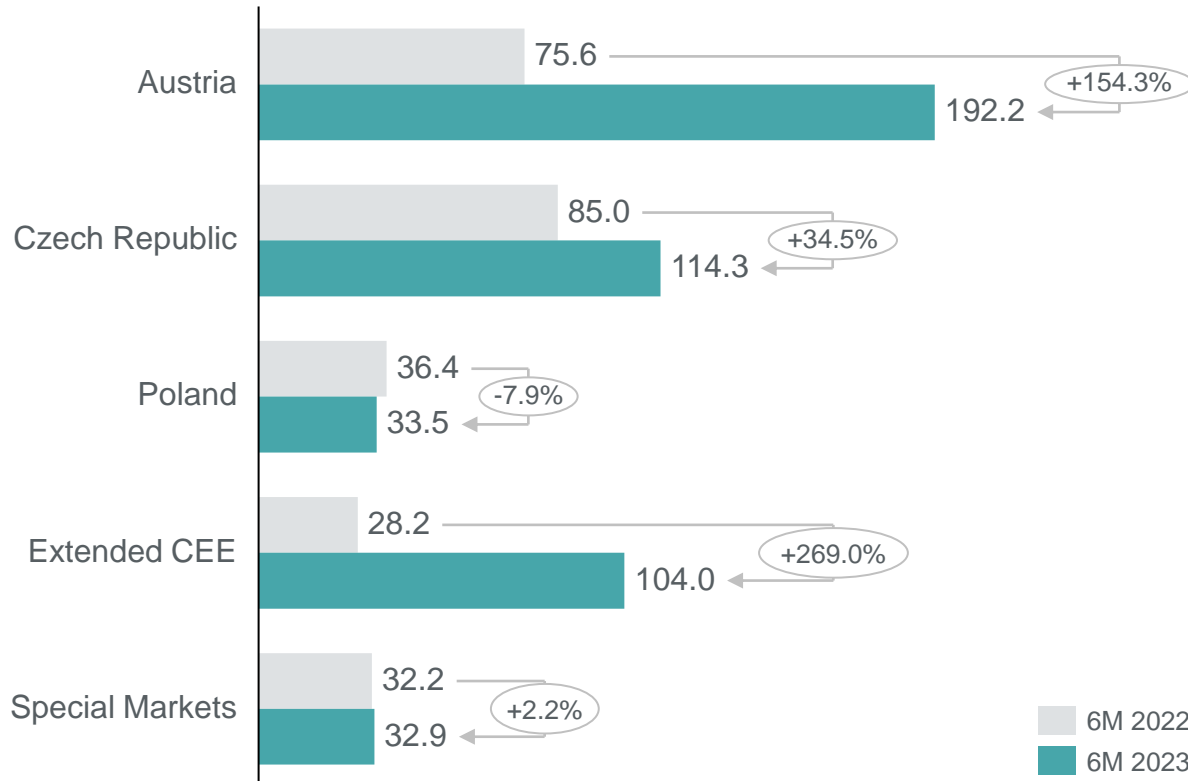


- AT: Insurance service revenue up by € 98.7mn driven by increased gross written premiums in the non-life lines of business
- CZ: Double-digit growth due to positive development in the motor lines of business
- PL: Revenue growth mainly driven by gross written premium increases in casco and other property business
- Extended CEE: Revenue up by € 270.2mn impacted by first-time consolidation of Alfa (former Aegon) in Hungary and supported by positive developments in casco in Romania and Bulgaria as well as solid growth in the non-life lines of business in Slovakia
- Special Markets: Substantial increase of € 152.8mn in the insurance service revenue driven by good performance in all lines of business in Türkiye and Georgia including the first-time consolidation of Viennalife (former Aegon) in Türkiye

Group Functions € 798.3mn (6M 2022: € 744.4mn) +7.2%; Consolidation € -513.1mn (6M 2022: € -431.1mn) +19.0%

SUBSTANTIALLY IMPROVED RESULT BEFORE TAXES OF 462.9 MILLION EURO

Result before taxes (€ mn)



- AT: strong improvement of the result before taxes to € 192.2mn; 6M 2022 mostly impacted by the measures taken in relation to the Russian investment exposure
- CZ: result before taxes up by € 29.3mn mainly driven by a positive development of the net investment result
- PL: deterioration of the combined ratio leads to a slightly decreased result before taxes of € 33.5mn
- Extended CEE: significant profit increase by € 75.8mn impacted by first-time consolidation of Alfa (former Aegon) in Hungary and due to improved net investment result, especially in Slovakia and the Baltics
- Special Markets: improved result before taxes due to the first-time consolidation of Viennalife (former Aegon) in Türkiye and better health business in Georgia

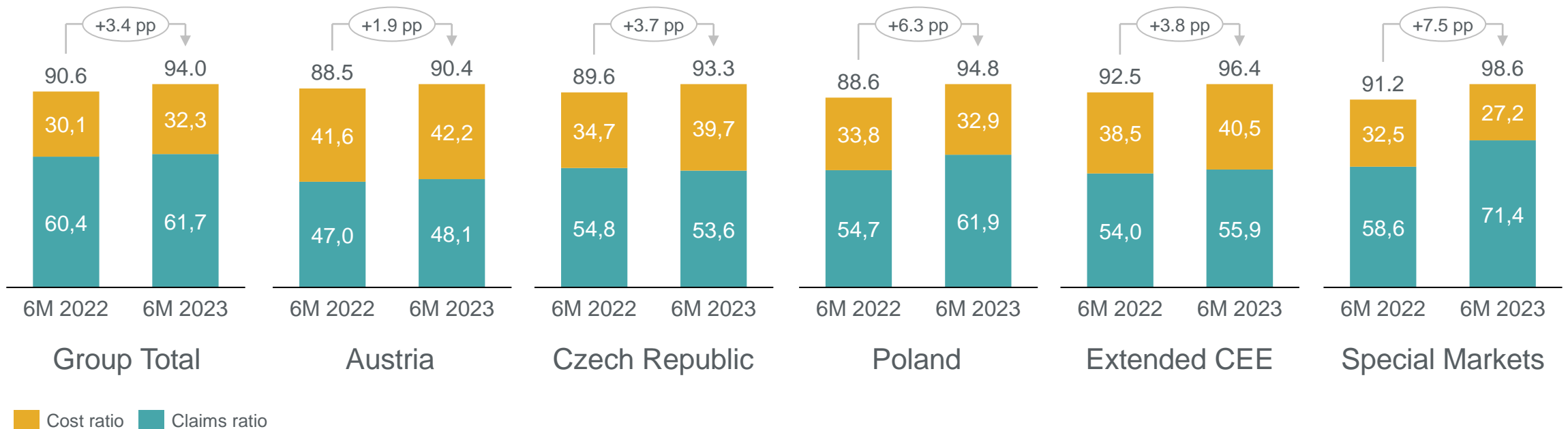
Group Functions € -14.0mn (6M 2022: € -45.3mn) -69.2%; Consolidation € 0.0mn (6M 2022: € 0.0mn)



NET COMBINED RATIO P&C OF 94.0%

Overview plus market segments (CoR net, %)

- Net insurance service expenses of € 3,325.1mn (€ 2,826.8mn) / Net insurance service revenue of € 3,539.1mn (€ 3,121.0mn)
- Increased combined ratio primarily due to the consideration of higher claims volatilities in the liability for incurred claims (LIC)
- In the Czech Republic, positive one-off in 6M 2022 due to high commission accruals in connection with the first-time application of IFRS 17
- In Poland, low MTPL prices deteriorate the claims ratio and in Türkiye, claims costs increase driven by inflation

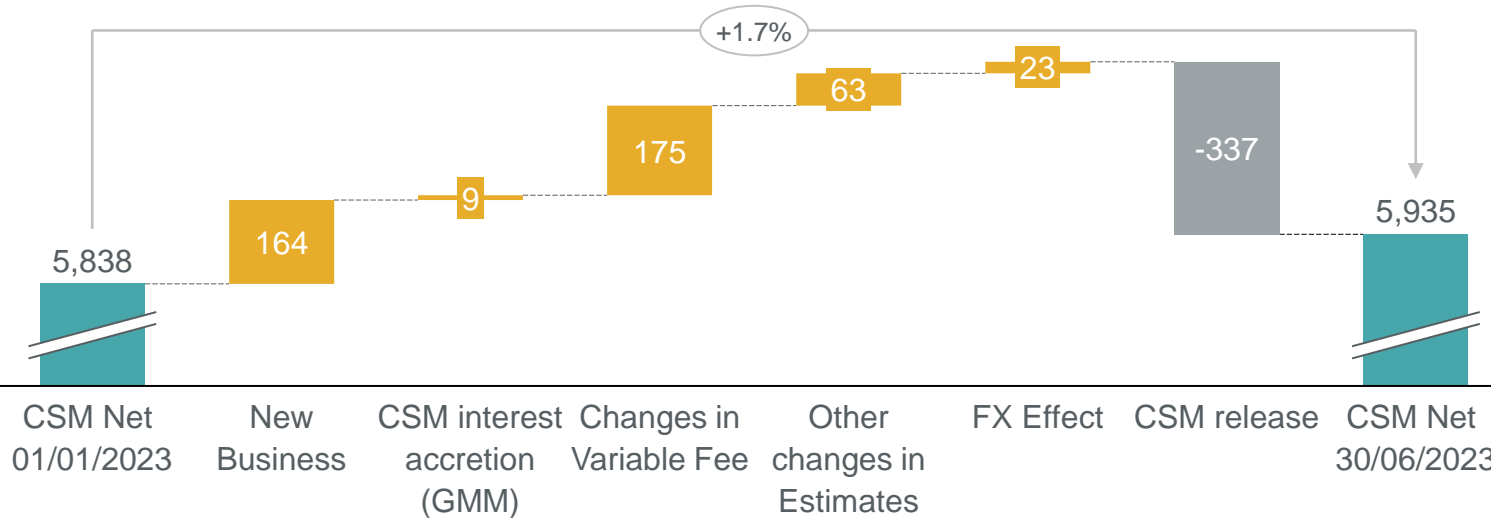




CONTRACTUAL SERVICE MARGIN & L/H NEW BUSINESS

6M 2023

Total Net CSM roll-forward (€ mn)



L/H New Business (€ mn)

€ 136mn

New Business CSM

€ 1,906mn

PV NB premiums

7.2%

New Business Margin

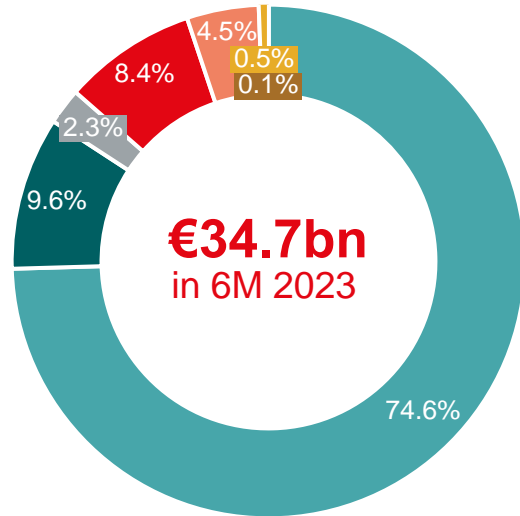
- CSM of € 5.9bn up by 1.7% compared to opening value
- Excellent profitability of new business in L/H with 7.2%; NB Margin increased compared to 5.8% at year-end 2022



INVESTMENT SPLIT

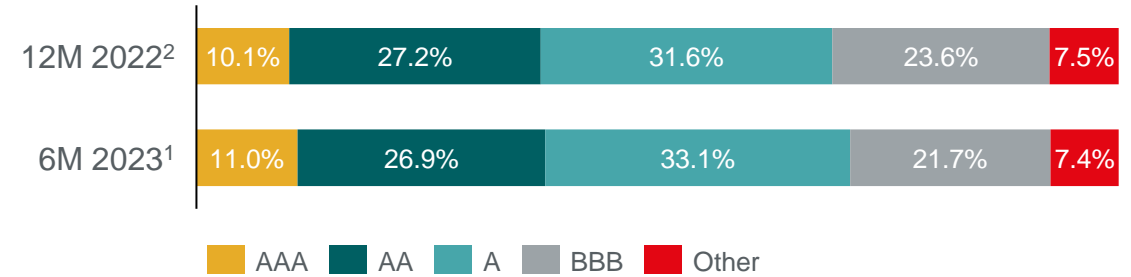
The presented split refers to the investments held at VIG's own risk

Investment split¹

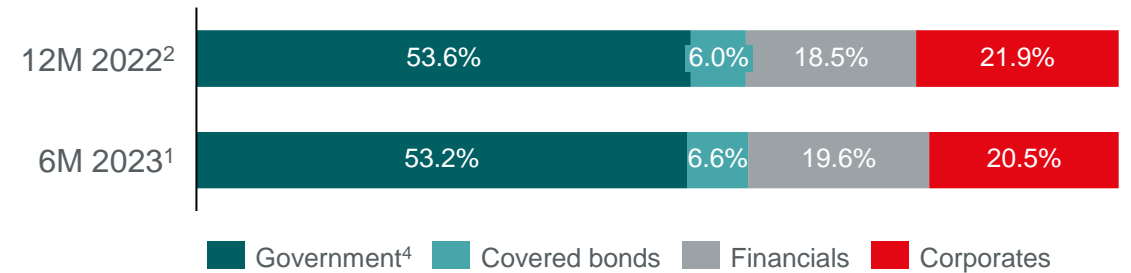


- Bonds
- Property
- Loans
- Cash and Deposits
- Equities
- Affiliated Companies
- Alternative Investments

Bond portfolio by rating³



Bond portfolio by issuer



¹ IFRS 9 ² IAS 39

³ Based on second-best rating ⁴ Government bonds also include bonds issued by supranational organisations, government agencies, federal or constituent states and municipalities



GROUP BALANCE SHEET

30/06/2023 (€ mn)

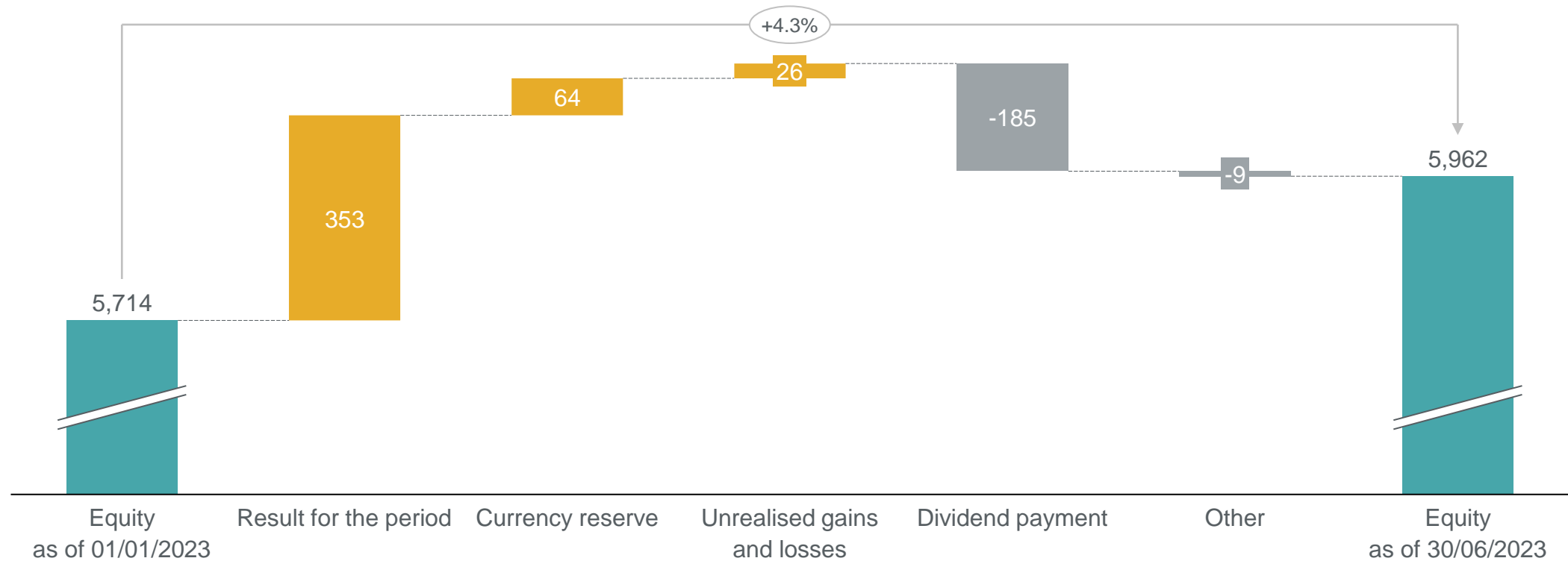
	30/06/2023	31/12/2022	+/- %
Cash and cash equivalents	1,774.0	2,315.2	-23.4
Financial assets	37,038.2	35,814.0	3.4
Receivables	527.9	490.7	7.6
Current tax assets	193.7	175.9	10.2
Investments in associates and joint ventures	187.4	288.0	-34.9
Insurance contracts assets issued	178.4	140.8	26.7
Reinsurance contracts assets held	1,945.5	1,874.5	3.8
Investment property incl. building right	2,701.5	2,645.0	2.1
Property and equipment	620.9	608.7	2.0
Other assets	130.3	120.5	8.1
Goodwill	1,468.2	1,438.7	2.1
Intangible assets	601.0	585.8	2.6
Deferred tax asset	572.4	541.2	5.8
Right-of-use assets	192.1	178.7	7.5
Total assets	48,131.4	47,217.7	1.9
Liabilities and other payables	968.7	949.8	2.0
Current tax liabilities	155.1	115.6	34.2
Financial liabilities	2,665.6	2,912.6	-8.5
Other liabilities	88.4	78.4	12.7
Insurance contracts liabilities issued	37,254.8	36,370.4	2.4
Reinsurance contracts liabilities held	17.0	37.7	-54.8
Provisions	629.9	669.9	-6.0
Deferred tax liabilities	390.1	369.4	5.6
Consolidated shareholders' equity	5,961.7	5,713.9	4.3
Non-controlling interests	242.2	241.3	0.4
Total liabilities	48,131.4	47,217.7	1.9



EQUITY DEVELOPMENT

6M 2023

Change in consolidated Shareholders' Equity (€ mn)





OPERATING RETURN ON EQUITY OF 15.8%

- Group operating profit annualised based on half-year result in relation to average equity adjusted for unrealised gains and losses

	30/06/2023	31/12/2022	31/12/2021
Shareholders' equity	5,961.7	5,713.9	5,308.3
Unrealised gains and losses recognised in equity ¹	-5.5	20.1	-139.4
Adjusted shareholders' equity	5,956.2	5,734.0	5,168.9
Average adjusted shareholders' equity	5,845.1	5,451.4	
Business operating result	463.0	594.7	
RoE in % (annualised)	15.8%	10.9%	

¹ Adjusted by non-controlling interests



SEGMENT OVERVIEW

6M 2023 (€ mn)

	Insurance service revenue			Result before taxes			Combined ratio (net, %)		
	6M 2023	6M 2022	+/- %	6M 2023	6M 2022	+/- %	6M 2023	6M 2022	+/- pp
Austria	1,642.1	1,543.4	6.4	192.2	75.6	>100	90.4	88.5	1.9
Czech Republic	999.7	902.8	10.7	114.3	85.0	34.5	93.3	89.6	3.7
Poland	585.6	528.6	10.8	33.5	36.4	-7.9	94.8	88.6	6.3
Extended CEE	1,511.7	1,241.5	21.8	104.0	28.2	>100	96.4	92.5	3.8
Special Markets	356.1	203.3	75.1	32.9	32.2	2.2	98.6	91.2	7.5
Group Functions	798.3	744.4	7.2	-14.0	-45.3	-69.2	88.1	84.3	3.8



GLOSSARY

IFRS 17/9

Abbreviation	
CSM	Contractual service margin
FVA	Fair value approach
FVtOCI	Fair value through other comprehensive income
FVtPL	Fair value through profit and loss
GMM	General measurement model
L/H	Life/Health
LIC	Liability for incurred claims
P&C	Property and casualty
PAA	Premium allocation approach
RA	Risk adjustment
VFA	Variable fee approach

6M 2023 RESULTS

APPENDIX

Please note: rounding differences may occur



EXPERIENCED MANAGING BOARD

Six board members as of 1 July 2023



Hartwig Löger, CEO



Peter Höfinger, Deputy CEO



Liane Hirner, CFRO



Gerhard Lahner, COO



Gabor Lehel, CIO



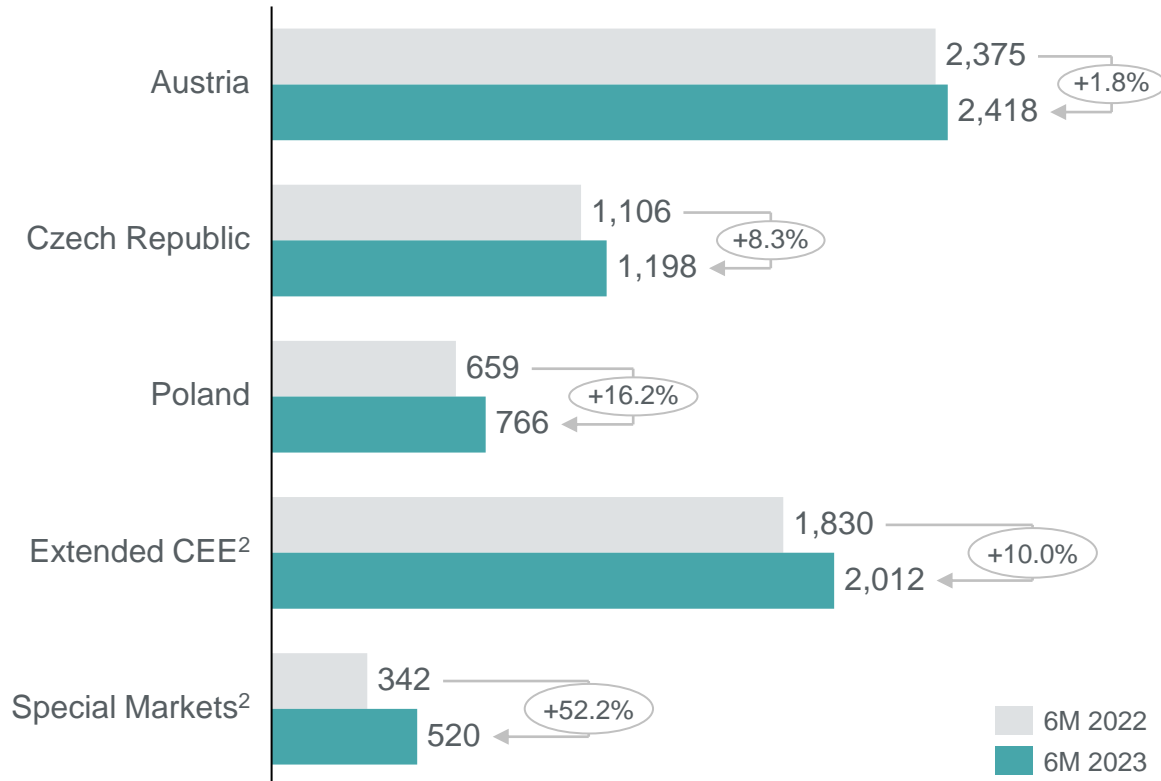
Harald Riener

Credit: Ian Ehm



GROSS WRITTEN PREMIUMS UP BY 10.8% BASED ON GROWTH IN ALL SEGMENTS

Gross written premiums¹ (€ mn)



- Overall, strong premium growth in the first six months resulting in total GWP of € 7,306.7mn
- Premium growth in Austria and the Czech Republic coming from non-life and health business; life single premium business in both markets in the first half of the year declining
- Double-digit premium growth in Poland (+€ 106.7mn) driven by casco, other property and life single premium business
- Premium growth in the segment Extended CEE (+€ 182.4mn) primarily driven by a very positive development in non-life segment in Hungary (+€ 103.1mn) as well as solid growth in motor and health in the Baltic states (+€ 40.9mn) and Slovakia (+€ 24.9mn)
- Premium growth rate in Special Markets almost exclusively coming from Türkiye (+€ 171.7mn) based on first-time consolidation and strong premium growth in life business in Viennialife (former Aegon) as well as in motor and property in Ray Sigorta

¹ Gross written premiums not part of IFRS 17/9 reporting

² The previous year's figures have been adjusted for the addition of the Aegon companies compared to the publication of 6M 2022

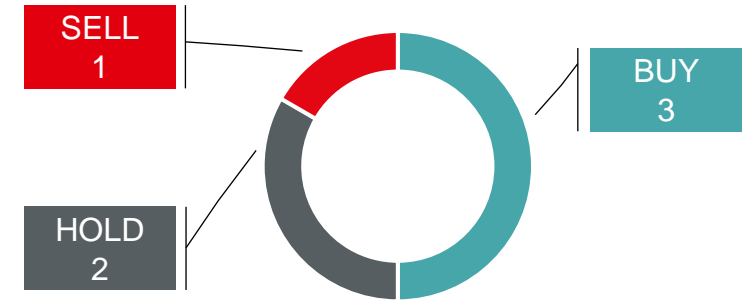
VIG SHARE (I)

Number of common shares: 128,000,000 / ISIN: AT0000908504

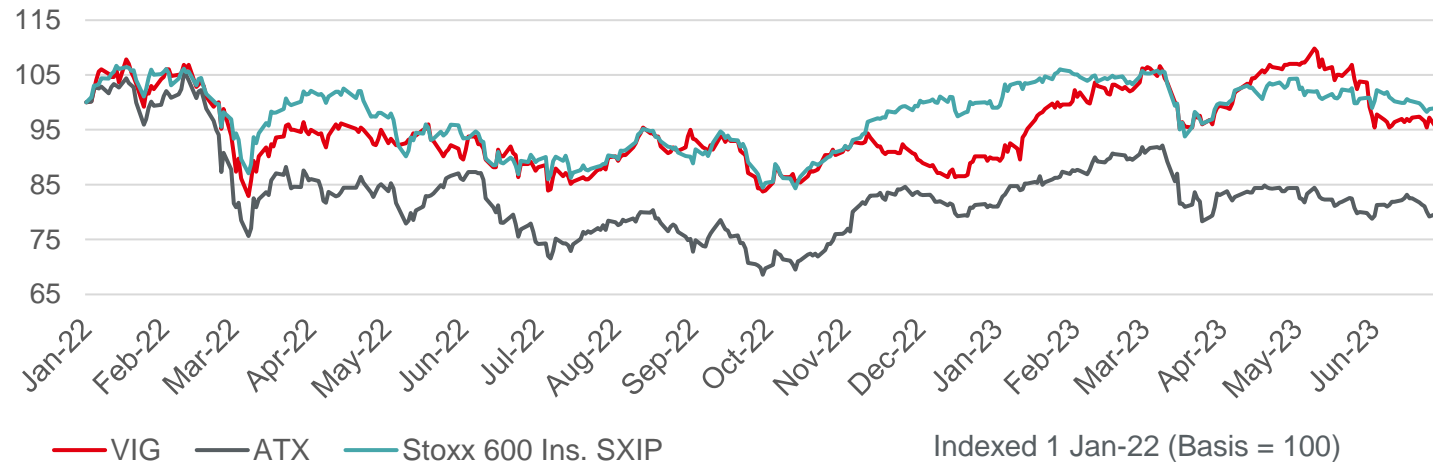
General information

Listings	Ticker	Rating	Major Indices
Vienna	▪ Stock Exchanges: VIG	Standard & Poor's:	ATX
Prague	▪ Bloomberg: VIG AV / VIG CP / VIG XH	A+, stable outlook	ATX Prime
Budapest	▪ Reuters: VIGR.VI / VIGR.PR / VIGR.H		PX

Analyst recommendations (30/06/2023)



VIG compared to ATX and Stoxx Europe 600 Ins.



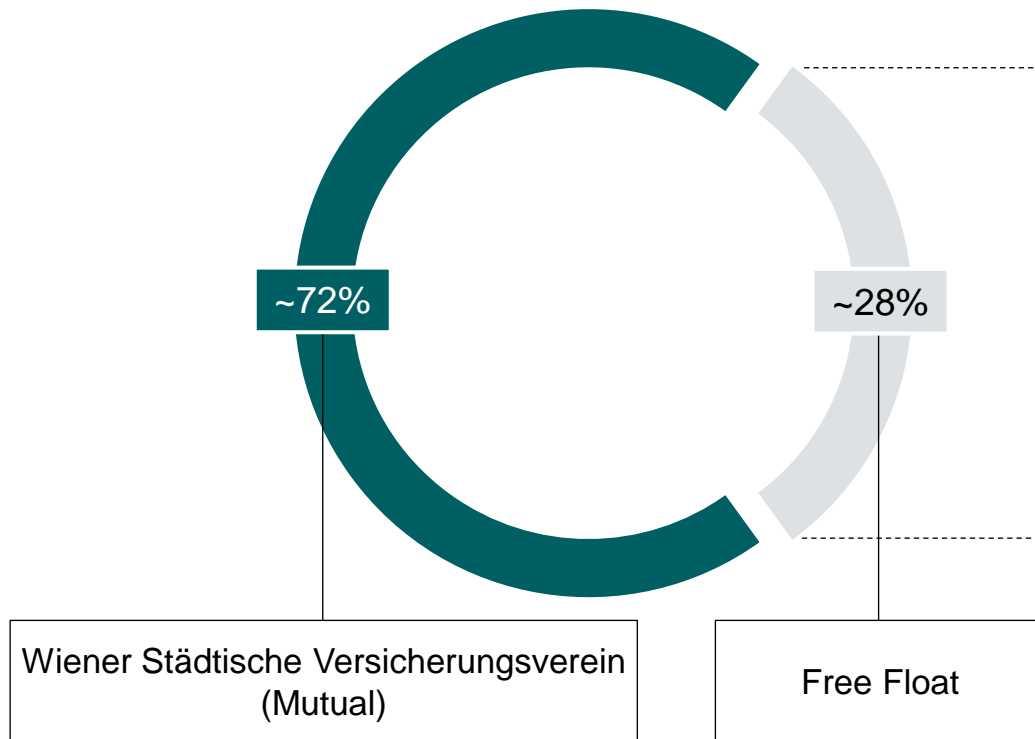
Share price development 6M 2023

High	EUR	27.35
Low	EUR	22.25
Price as of 30 Jun 2023	EUR	23.95
Market cap.	EUR	3.07bn
Share performance (excl. dividends)	%	+7.2

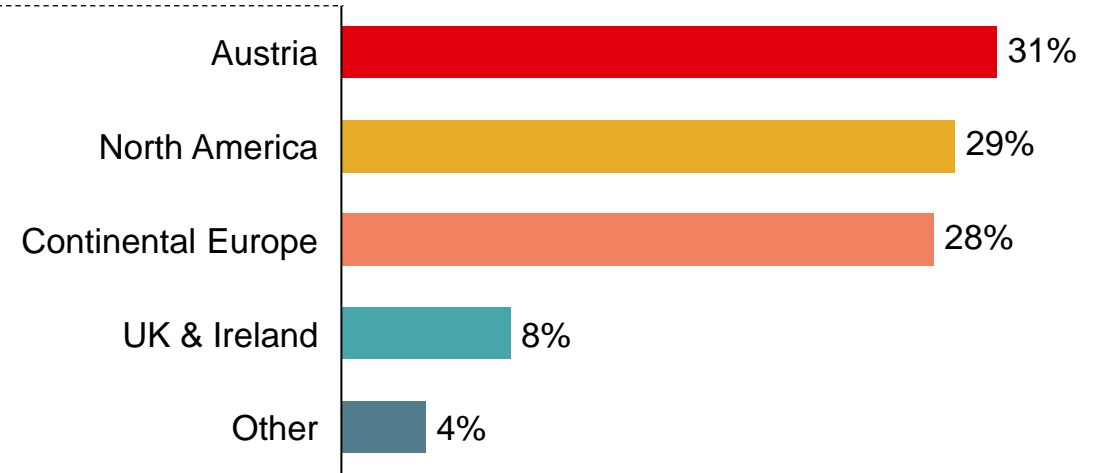


VIG SHARE (II)

Shareholder structure



Free float split by region¹



¹ Split of identified shares, May 2023 (Source: S&P Global)



Status: August 2023

WE ARE **NUMBER 1**
IN CENTRAL AND EASTERN EUROPE.

VIG
VIENNA INSURANCE GROUP
Protecting what matters.

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Financial calendar 2023

Date	Event
15 Mar. 2023	Preliminary results for the financial year 2022
19 Apr. 2023	Results, Annual Report and Sustainability Report for the year 2022
16 May 2023	Record date Annual General Meeting
26 May 2023	Annual General Meeting
30 May 2023	Ex-dividend day
31 May 2023	Record date dividend
31 May 2023	Update first quarter 2023
01 Jun. 2023	Dividend payment day
30 Aug. 2023	Results for the first half-year 2023
30 Nov. 2023*	Update first three quarters 2023

* Preliminary planning



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IFRS 17/9 financial figures in this presentation have not been audited.

Please note that calculation differences may arise when rounded amounts and percentages are summed automatically.