



VIG ENGAGEMENT REPORT

2024

VIG AT A GLANCE

VIG is the **leading insurance group** in Central and Eastern Europe. It consists of the listed VIG Holding as well as more than **50 insurance companies and pension funds in 30 countries**. VIG Holding, with its headquarters in Vienna, coordinates the Group-wide exchange and functions as the steering body.

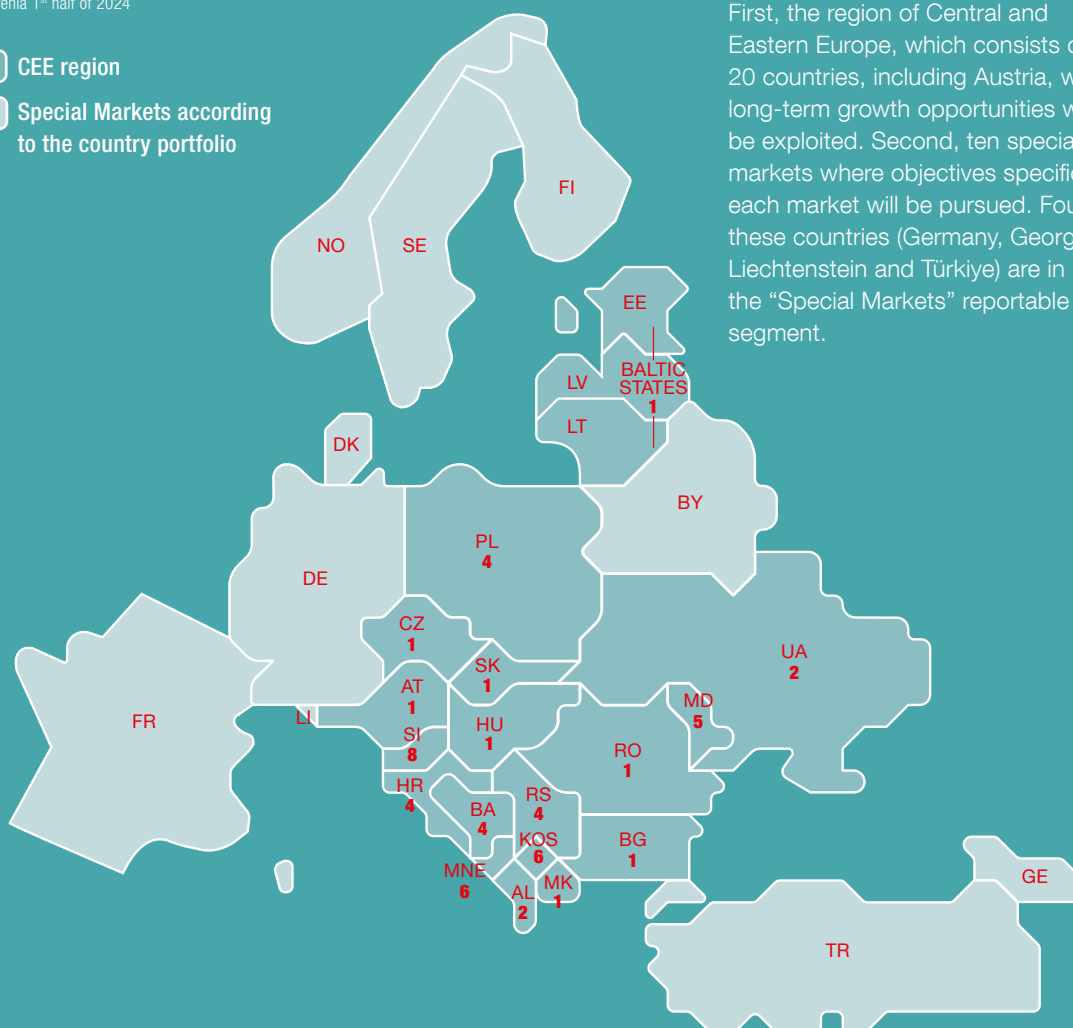
The insurance companies rely on local brands. Their approximately **30,000 employees** provide around **33 million customers** with the best possible protection against the risks of day-to-day life.

VIG's strategy is oriented towards profitable growth and the creation of **added value through diversity**: The wealth of different languages, cultures and entrepreneurial approaches ensures the greatest possible proximity to customers and promotes innovation and creativity. The decentralised structures make the Group flexible and ensure quick decisions.

Market positions in the CEE

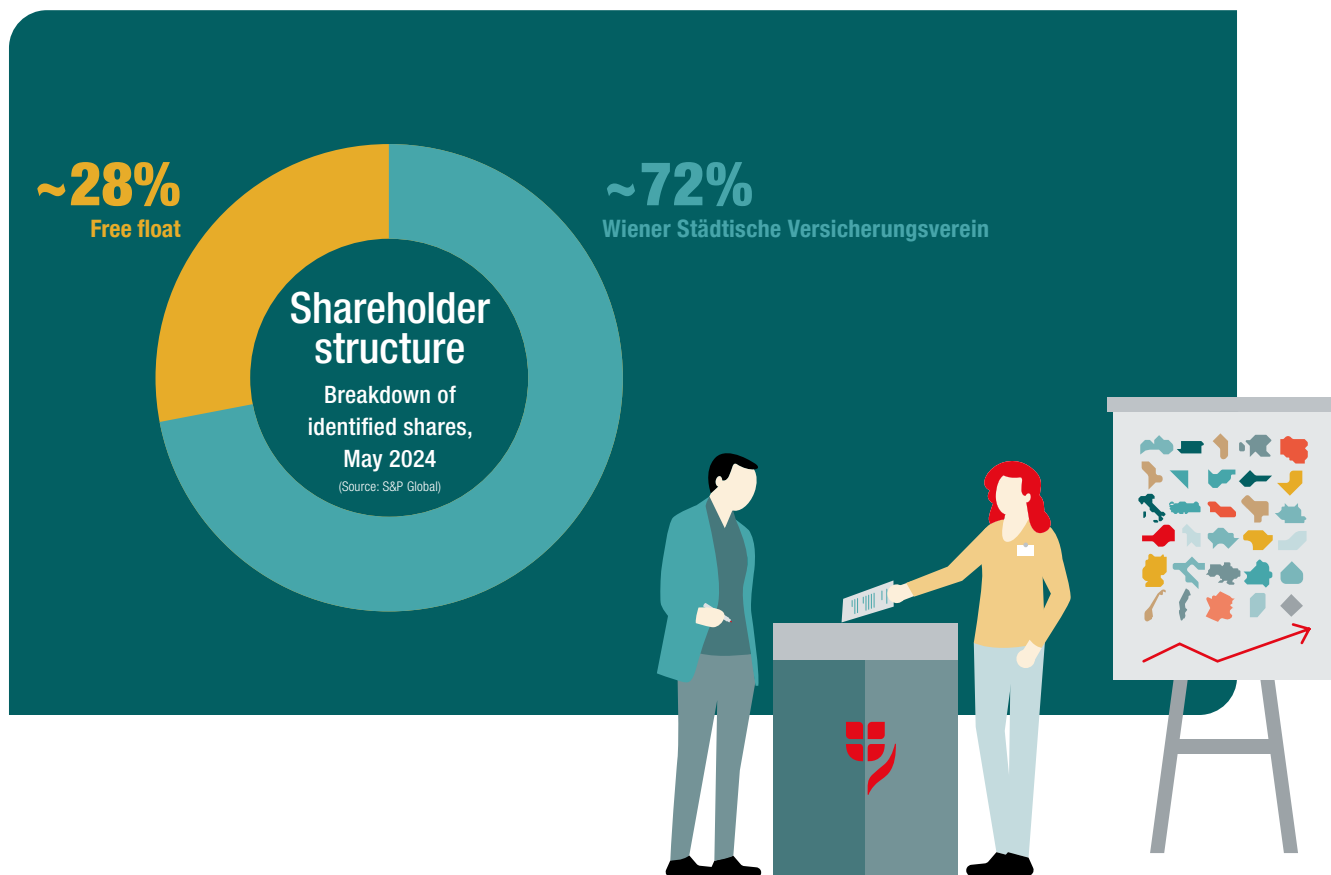
Market rankings 1st to 3rd quarters of 2024,
Slovenia 1st half of 2024

- CEE region
- Special Markets according to the country portfolio



VIG country portfolio

VIG divides its region into two areas. First, the region of Central and Eastern Europe, which consists of 20 countries, including Austria, whose long-term growth opportunities will be exploited. Second, ten special markets where objectives specific to each market will be pursued. Four of these countries (Germany, Georgia, Liechtenstein and Türkiye) are in the "Special Markets" reportable segment.



around **33,000,000** customers

around **30,000** employees

over **50** insurance companies and pension funds

operating in **30** countries

200 years of experience in the Group

number **1** in CEE

A+ rating with stable outlook from Standard & Poor's

1990 first expansion step into the former Czechoslovakia

Listing on the **Vienna, Prague and Budapest** stock exchanges

Yearly dividends since going public in 1994

ENGAGEMENT AT VIG

Enhancing our Responsible Investment Strategy VIG uses the services of the internationally established engagement provider ISS ESG since 2023. ISS ESG pools the interests of many investors and engages with companies on sustainability issues. This is summarized under the term Engagement.

Engagement is the active dialogue with invested and potentially investable companies to address ESG issues, identify potential for improvement and aims to increase ESG data transparency. Rather than excluding companies from the investment universe based on too many exclusion criteria a dialogue is instead initiated.

All the listed engagements in the following pages are conducted and reported by ISS ESG. By engaging collaboratively, institutional investors can therefore leverage their scale in discussions on ESG issues and communicate their concerns to corporate management more effectively. This may include ongoing dialogue with companies identified for enhanced disclosure, a push for improved sustainability performance or the mitigation of ESG risks.

Companies are increasingly recognizing the importance of engaging in dialogues with investors and are willing to open the floor for discussions.

The term ESG encompasses environmental, social and governance issues and thus covers a broad field of activity. ISS ESG is conducting Engagement on our behalf covering Norm-Based Engagement, as well as Thematic Engagement on themes such as Net Zero emissions by 2050.

ISS ESG 



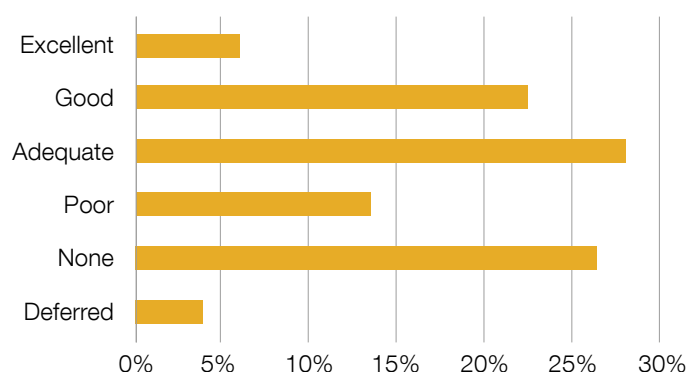
NORM-BASED ENGAGEMENT

The Norm-Based Engagement focuses on companies that are involved in alleged or verified failures to respect international norms for responsible business conduct and is a reactive dialogue. Those engagements are classified under the United Nations Global Compact Principles of human rights, labour rights, environment and anti-corruption. Each engagement is identified by one or several specific topics within these areas.

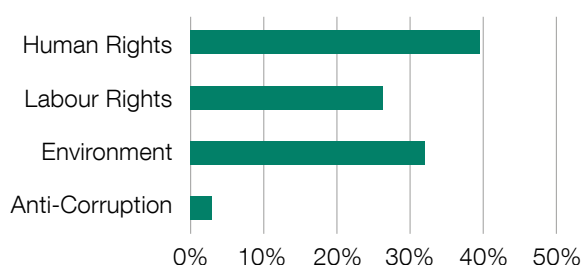
UN Global Compact Principles	Norm Area	Topic Area
1-2	Human Rights	Indigenous rights
		Standard of living
3-6	Labor Rights	Forced labour
		Safe and healthy working conditions
7-9	Environment	Environmental impacts
		Pollution (Air, Water and Soil)
10	Anti-Corruption	Anti-competitive behaviour
		Accounting / disclosure standards

ISS ESG conducted Norm-Based Engagement with 124 companies, covering 189 individual ESG topics. Duration of dialogues often takes more than a calendar year. The companies engaged with are domiciled across 28 different locations. For 100 of the companies, a new engagement cycle was initiated during 2024. 71% of the 124 companies provided responses to the investor outreach in different quality. Most of the norms addressed were related to human rights and environmental topics.

Quality of Participation in terms of ESG topics



ESG Area Breakdown



Source: Norm-Based Engagement Progress Report ISS ESG, February 2025

NORM-BASED ENGAGEMENT – List of Companies: Engagement initiated 2024

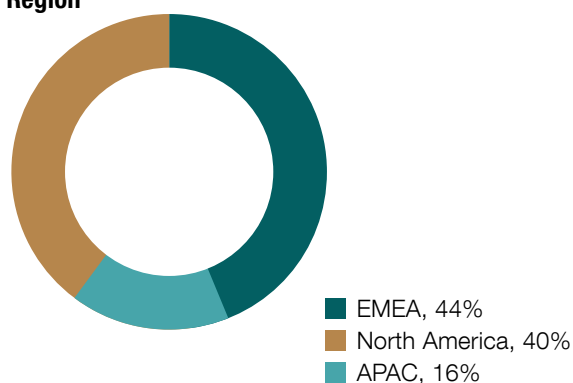
Name		
Acciona SA	Hawaiian Electric Industries, Inc.	PT Astra Agro Lestari Tbk
ACS, Actividades de Construcción y Servicios SA	HD HYUNDAI Co., Ltd.	PT Astra International Tbk
Adani Enterprises Limited	HD Hyundai Heavy Industries Co., Ltd.	PVH Corp.
Aecon Group Inc.	HD Korea Shipbuilding & Offshore Engineering Co., Ltd.	Red Rock Resorts, Inc.
Aker Solutions ASA	Hochtief AG	Rio Tinto Limited
Anheuser-Busch InBev SA/NV	Hugo Boss AG	Rio Tinto Plc
AntarChile SA	Iflytek Co., Ltd.	Robinhood Markets, Inc.
Apple Inc.	Imperial Metals Corporation	Samsung C&T Corp.
AtkinsRealis Group Inc.	Jardine Cycle & Carriage Limited	Seatrium Ltd.
Bank of America Corporation	Jardine Matheson Holdings Ltd.	Securitas AB
Barrick Gold Corporation	JBS SA	Serco Group Plc
Bharat Heavy Electricals Limited	JD Sports Fashion Plc	Shandong Gold Mining Co., Ltd.
BlackRock, Inc.	JinkoSolar Holding Co., Ltd.	SK, Inc.
Bolloré SE	Juventus Football Club SpA	Socfin SA
Carrefour SA	Kinross Gold Corporation	Sojitz Corp.
China Yangtze Power Co., Ltd.	Kohls Corporation	Stellantis NV
Chubu Electric Power Co., Inc.	Levi Strauss & Co.	STRABAG SE
CITIC Limited	LG Electronics, Inc.	Sumitomo Chemical Co., Ltd.
Coal India Ltd.	Lyft, Inc.	Sumitomo Corp.
COFCO Sugar Holding Co. Ltd.	Macy's, Inc.	Suncor Energy Inc.
Compagnie de l'Odéon SE	Marathon Petroleum Corporation	Target Corporation
Daqo New Energy Corp.	Marubeni Corp.	TC Energy Corporation
Electricity Generating Public Company Limited	Meituan	Texhong International Group Limited
Empresas Copec SA	Meta Platforms, Inc.	The AES Corporation
Enbridge Inc.	Microsoft Corporation	The Boeing Company
ENEOS Holdings, Inc.	Mitsubishi Corp.	Uber Technologies, Inc.
Energy Transfer LP	Mitsui & Co., Ltd.	UGI Corporation
ENGIE SA	MMG Limited	Urban Outfitters, Inc.
EXOR NV	NextEra Energy, Inc.	Vale SA
Freeport-McMoRan, Inc.	NRG Energy, Inc.	Wilmar International Limited
Golden Agri-Resources Ltd	NTPC Limited	Woodside Energy Group Ltd.
Grupo Mexico S.A.B. de C.V.	Osaka Gas Co., Ltd.	Woolworths Group Limited
Hankook & Company Co., Ltd.	Pegatron Corp.	
HANKOOK TIRE & TECHNOLOGY Co., Ltd.	Phillips 66	

Source: ISS ESG Norm-Based Engagement Annual Report 2024, Number of Engagement initiated in 2024:100

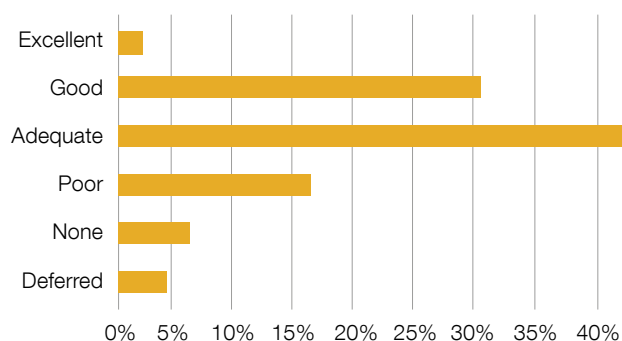
THEMATIC ENGAGEMENT NET ZERO

Understanding the financial implications of climate change on companies is essential, not only in terms of the risks and opportunities they encounter, but also in evaluating how effectively these companies are addressing the challenges of the transition to Net Zero. In 2024, the focus of the targeted companies was the ambition to reach Net Zero emissions by 2050 and target companies have been encouraged to accelerate their climate actions.

Region



Quality of Participation in terms of ESG topics



Source: ISS ESG Net Zero Thematic Engagement 2024 Annual Progress Report, February 2025
Engagement cycle started in Q2 2024

Engagement Objectives

1. 2050 Net Zero GHG emissions target

The company should make a Net Zero GHG emissions ambition statement that explicitly includes a vast majority of scope 1 and 2 emissions.

The company's Net Zero GHG emissions ambition should cover material scope 3 GHG emissions categories.

2. Medium-term greenhouse gas reduction target (2025 to 2035)

The company should set a medium-term (2025 to 2035) target for reducing its GHG emissions on a clearly defined scope of emissions.

The medium-term (2025 to 2035) GHG reduction target should cover the vast majority of scope 1 and 2 emissions and material scope 3 emissions.

The target should be aligned with the goal of limiting global warming to 1.5°C.

3. Decarbonisation strategy

The company should define a decarbonisation strategy to meet its medium-term GHG reduction targets. This should contain the actions it intends to take and quantify key elements.

THEMATIC ENGAGEMENT TARGETS NET ZERO – List of Companies

Name	
ArcelorMittal SA	Exelon Corporation
Arkema SA	FirstEnergy Corp.
Atlas Copco AB	General Dynamics Corporation
BAE Systems Plc	Honda Motor Co., Ltd.
BASF SE	Ingersoll Rand Inc.
BKW AG	INPEX Corp.
Boliden AB	JSW Steel Limited
Bouygues SA	Linde Plc
BP ASA	LyondellBasell Industries NV
Caterpillar, Inc.	Mitsubishi Heavy Industries, Ltd.
Chevron Corporation	Nucor Corporation
CNH Industrial NV	OCI NV
ConocoPhillips	PACCAR Inc
Constellation Energy Corporation	Public Service Enterprise Group Incorporated
Coterra Energy Inc.	Rio Tinto plc
Covestro AG	RTX Corp.
Daimler Truck Holding AG	Samsung C&T Corp.
Deere & Company	Shin-Etsu Chemical Co., Ltd.
Dover Corporation	Stellantis NV
Dow Inc.	Suzuki Motor Corp.
Eaton Corporation plc	The Boeing Company
EMS-Chemie Holding AG	The Southern Company
ENGIE SA	Valero Energy Corporation
EOG Resources, Inc.	Valmet Corp.
Evonik Industries AG	Woodside Energy Group Ltd.

Source: ISS ESG Net Zero Thematic Engagement 2024 Annual Progress Report, February 2025
 Number of Engagement Targets: 50

DIRECT DIALOGUES VIG & PRESENCE AT AGM

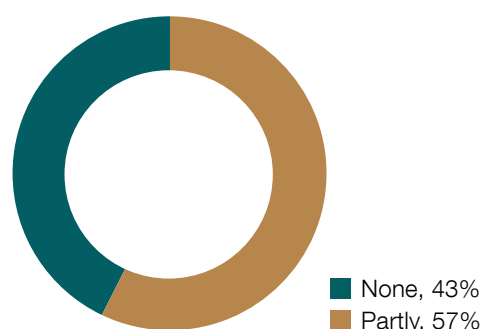
In addition to the collaborative engagement facilitated by ISS ESG, direct engagement with Austrian companies was conducted by VIG through its dedicated ESG team within the Asset Management Department.

The focus is on enhancing ESG data transparency as possessing accurate data is essential for improving performance and implementing measures. Together with our Asset Management Team in Austria, we identified seven companies where ESG data transparency could be improved. We reached out to these issuers through an Engagement Letter, achieving an excellent response rate, as each target company provided feedback. The key topics addressed include water emissions, gender pay gap data and data related to the share of energy consumption and production from non-renewable energy sources.

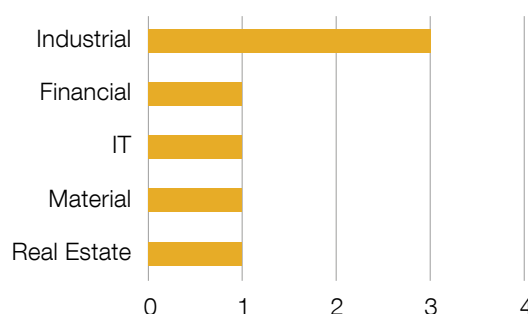
Following an evaluation in Q1 2025, most engaged issuers have shown partial progress in data transparency. Consequently, some of the data has already been integrated into our systems. Full transparency on the requested data points have not yet been achieved by the targeted companies. The majority of companies have indicated that they plan to include the required ESG data in their reports throughout 2025, in line with the implementation of the ESRS reporting standards.

Furthermore, the direct participation in annual general meetings (AGM) for Austrian issuers, broken down by industry, is presented here. Since, we as an Insurance Company, have long term liabilities and act under strict regulatory requirements equity represents only a small part of our overall Asset Allocation.

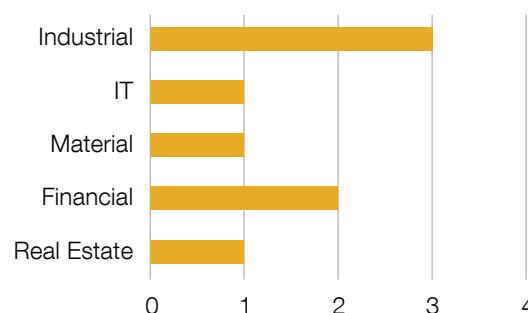
Success of data transparency



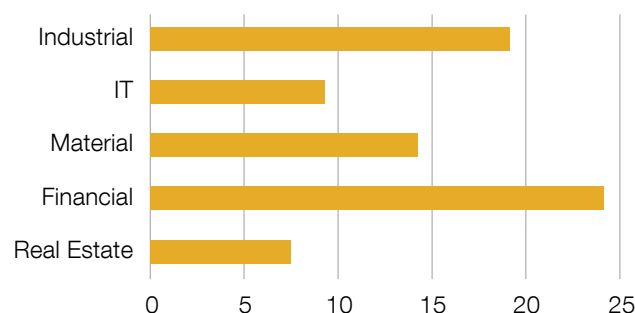
Direct VIG Company Engagements



Presence AGM Austrian Companies



Nr. of Resolutions for Vote at AGM Austrian Companies



Our investment managers voted 100% in favor of the proposed resolutions.

ENGAGEMENT OUTCOMES

ISS ESG's collaborative engagement includes regular evaluation of the outcomes of the dialogues. Results are based on improvements in the alignment of the issues addressed, as evidenced by public disclosures. Results are reviewed semi-annually in relevant ISS ESG data and research, as well as ISS ESG's assessment of the quality of each company's participation in the engagement. In terms of escalation, in case of a non-response, enquiries are escalated to a higher level of seniority within the target company.

OUTLOOK

We will continue our collaboration with ISS ESG to maximize the impact by leveraging the collective influence of multiple investors on the selected engagement targets. At the same time, we will continue to closely monitor the progress of our own direct engagement efforts and remain committed to further enhancing ESG data transparency.



Source: <https://www.issgovernance.com/esg/engagement/>

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Despite the greatest possible care in the preparation of this report, rounding, typesetting and printing errors cannot be ruled out.



Version: March 2025

We are Number 1
in Central and Eastern Europe.

VIG
VIENNA INSURANCE GROUP