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## **Vienna Insurance Group confirms top results for 2021 Solvency ratio of 250% highlights strong capitalisation**

On 14 April 2022, the Vienna Insurance Group (VIG) publishes its reports for the 2021 financial year, confirming the preliminary figures communicated on 8 March 2022. The online 2021 Group Annual Report will be accessible at [www.annual-report.vig/2021](http://www.annual-report.vig/2021). The 2021 Group Annual Report, the 2021 Sustainability Report, the Embedded Value Report, the VIG Holding Annual Financial Statements and the VIG Solvency and Financial Condition Report can be found at [www.vig.com](http://www.vig.com).

### **2021 business result shows high resilience**

With a premium volume of EUR 11 billion (+5.5%), a profit before taxes of EUR 511 million (+47.8%) and a combined ratio of 94.2% (-0.8 percentage points), the VIG Group achieved a very good overall business result in 2021. *“A look at our key figures shows the high resilience of our Group and that we have dealt with the major challenges facing the industry in good time, especially with digitalisation. This has proved to be a key instrument for maintaining business operations and, above all, customer service during the pandemic”*, explains CEO Elisabeth Stadler.

### **Strong capitalisation**

The solvency ratio of 250% at the end of 2021 highlights the strong capitalisation of the VIG Group. As at 31 December 2021, the VIG Group had own funds of roughly EUR 10.3 billion, approx. 85% of which was in the highest quality category (tier 1). The solvency capital requirement is approx. EUR 4.1 billion.

### **Improved embedded value**

The embedded value of the life and health insurance business is the net asset value plus the present value of expected future profits from existing insurance contracts. Due to the positive interest rate development, the embedded value (after taxes) rose to EUR 3.85 billion as of the reporting date of 31 December 2021 (adjusted figure for 2020: EUR 2.91 billion). In Austria in particular, the embedded value increased by EUR 817 million due to the interest-sensitive portfolio. CEE contributes EUR 118 million to the increase.

Value creation was supported by the conclusion of profitable new business with a margin of 2.5%. The VIG Group again achieved a very good margin of 3.8% in CEE.

## **Sustainability as a strategic Group objective**

The Group objectives set out in the current “VIG 25” strategic programme include, for the first time, ESG-related projects to benefit society, customers and employees. *“We are not talking here about introducing sustainability for the first time, but about continuing consistently down the path that has already been taken. Since its origins in the 19th century, our Group has pursued social causes and sustainable business practices as well as profitable growth”*, explains Elisabeth Stadler.

The VIG Group’s sustainability strategy aims to promote investments in renewable energy and green bonds, as well as to phase out its involvement in the coal sector. The Sustainability Report shows a total green bond volume of EUR 436 million at the end of 2021. This represents an increase of more than 83% compared to the previous year. The share of green bonds has thus increased more than six-fold since 2018, when they accounted for EUR 70 million. As part of its climate change strategy, the VIG Group decided to withdraw from the coal sector as early as 2019. The VIG Group’s climate change strategy commits it not to take on new insurance for companies in the coal sector. Since May 2019, no new insurance has been issued for coal-mining or coal-fired power plant projects. Existing policies in this sector will be phased out. In 2021, coal risks among corporate customers were reduced by 74% compared to 2019.

**Vienna Insurance Group AG** Wiener Versicherung Gruppe (VIG) is the leading insurance group both in Austria and in the entire Central and Eastern European (CEE) region. Around 50 insurance companies in 30 countries form a Group with a long-standing tradition, strong brands and close customer relations. The more than 25,000 employees in the VIG take care of the day-to-day needs of more than 22 million customers. VIG shares have been listed on the Vienna Stock Exchange since 1994. The VIG Group has an A+ rating with stable outlook by the internationally recognised rating agency Standard & Poor’s. VIG cooperates closely with the Erste Group, the largest retail bank in Central and Eastern Europe.

## **Disclaimer**

This press release contains forward-looking statements that concern future developments in Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG). These statements are based on current assumptions and forecasts made by the management. Changes in general economic developments, future market conditions, capital markets and other circumstances could result in actual events or results differing significantly from these forward-looking statements. The VIG assumes no obligation to update these forward-looking statements or modify them based on future events or developments.

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