





# 29TH ANNUAL GENERAL MEETING

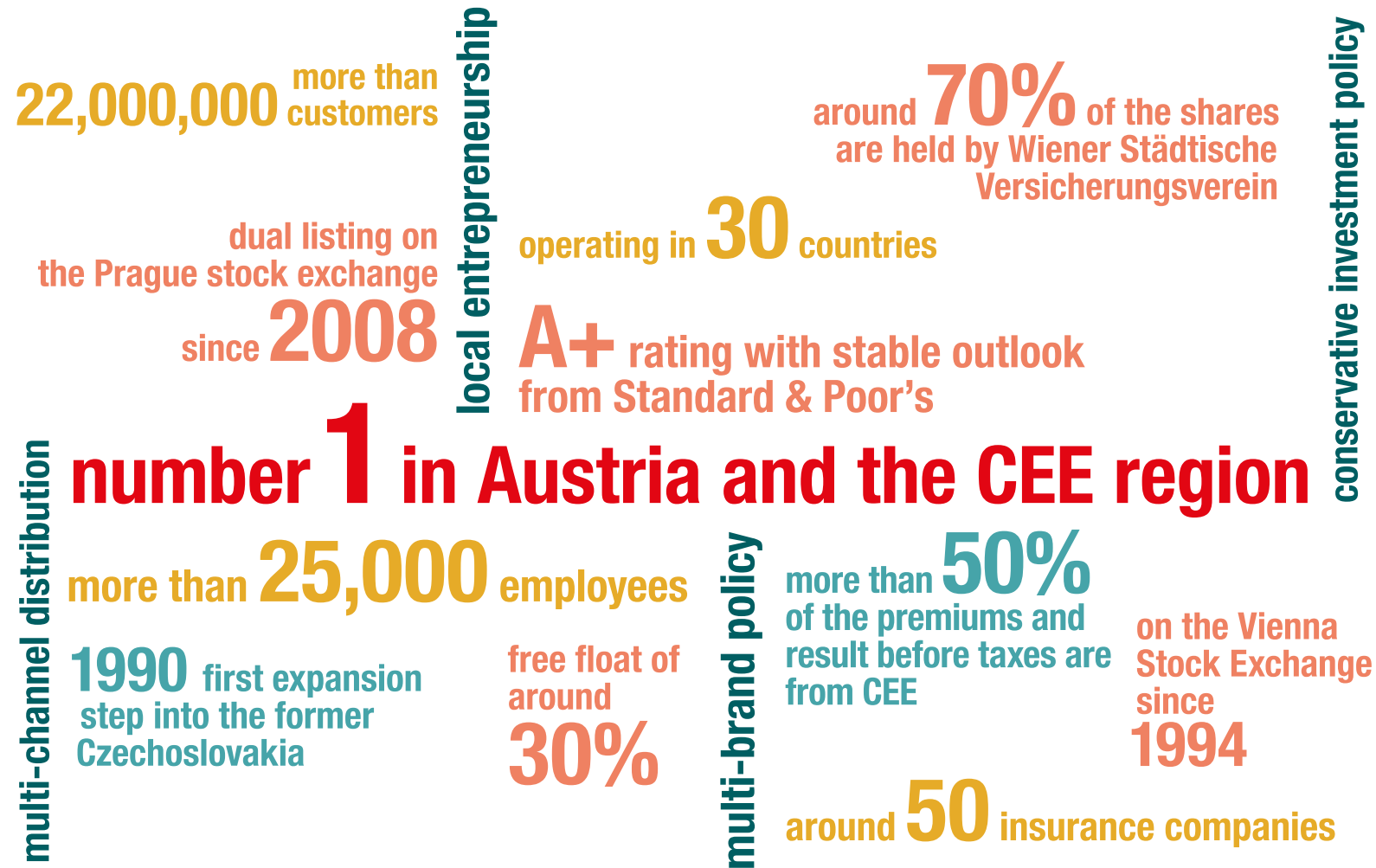
Vienna, 25 September 2020

## Agenda items

1. Presentation of the approved annual financial statements for 2019 including the management report, the consolidated corporate governance report 2019, the sustainability report 2019 (consolidated non-financial report), the consolidated financial statements for 2019 including the group management report, the proposal for the appropriation of profits and the report of the Supervisory Board (Section 96 of the Austrian Stock Corporation Act [Aktiengesetz/AktG]).
2. Resolution on the appropriation of the net profit for the year as per the annual financial statements for 2019.
3. Resolution on discharging the Managing Board members for the financial year 2019.
4. Resolution on discharging the Supervisory Board members for the financial year 2019.
5. Election of the auditor and group auditor for the financial year 2021.
6. Election to the Supervisory Board.
7. Resolution on the reassessment of remuneration for the Supervisory Board members.
8. Resolution on the remuneration policy.

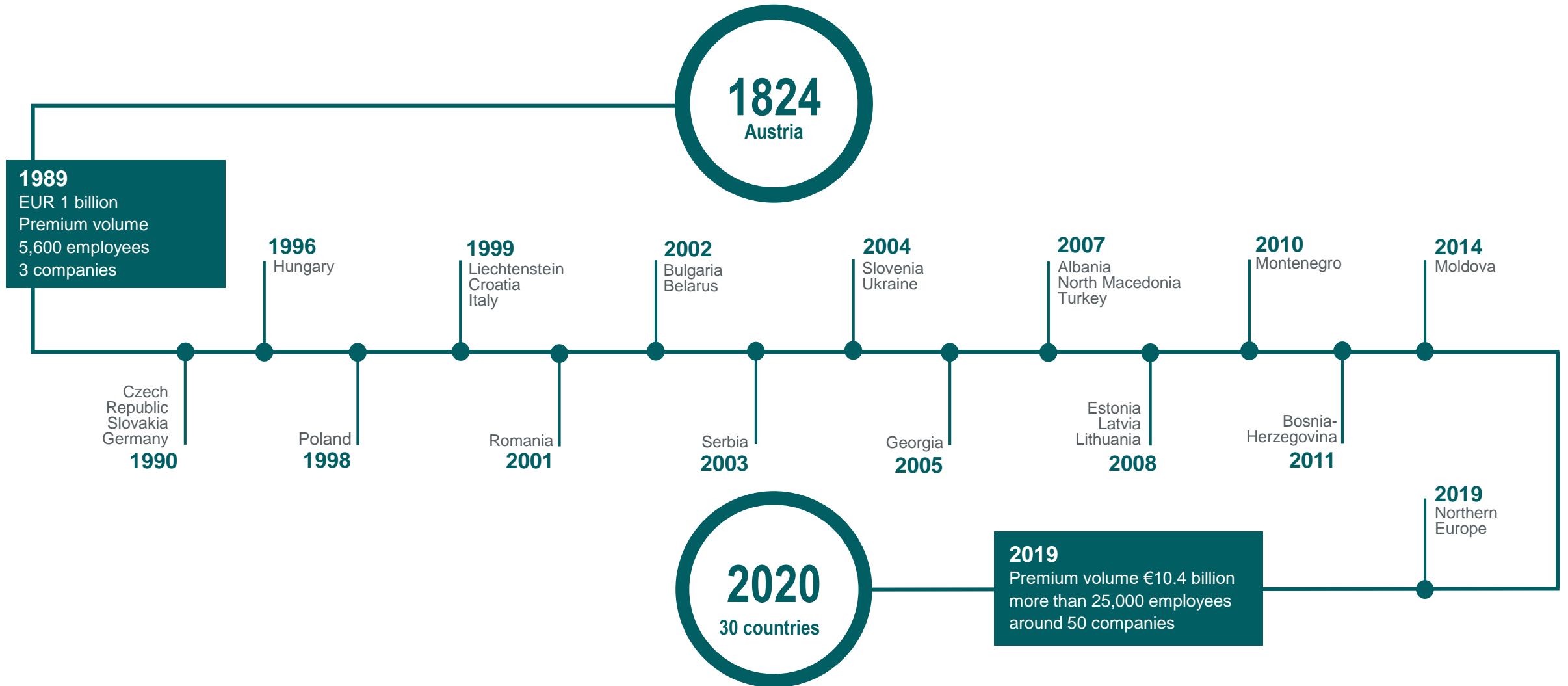


# DIVERSITY AS A SUCCESS FACTOR





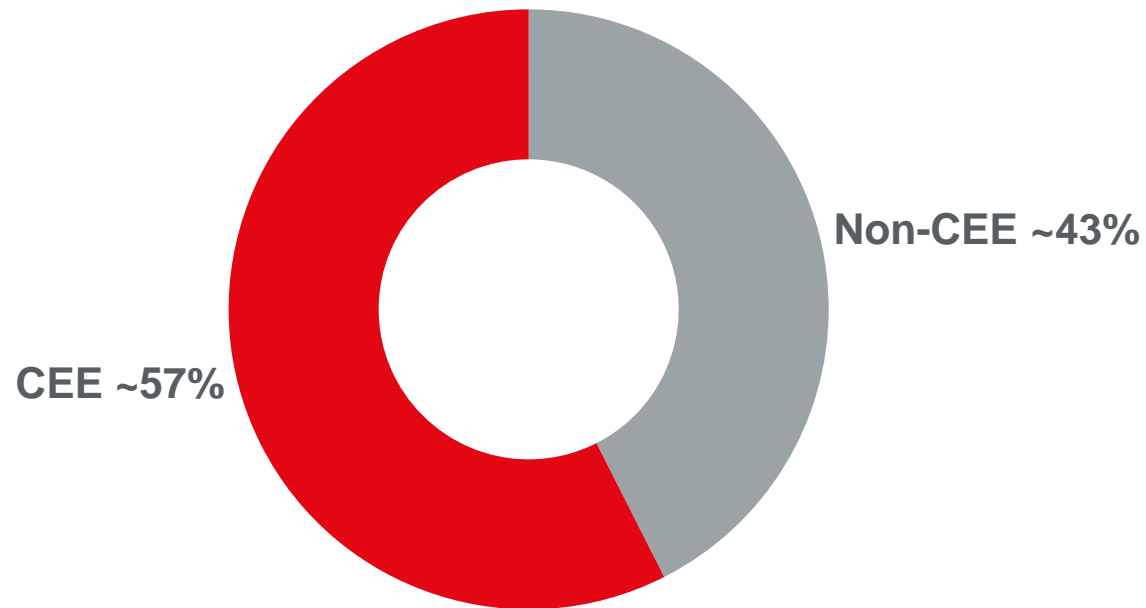
# VIG AS FIRST MOVER IN CEE



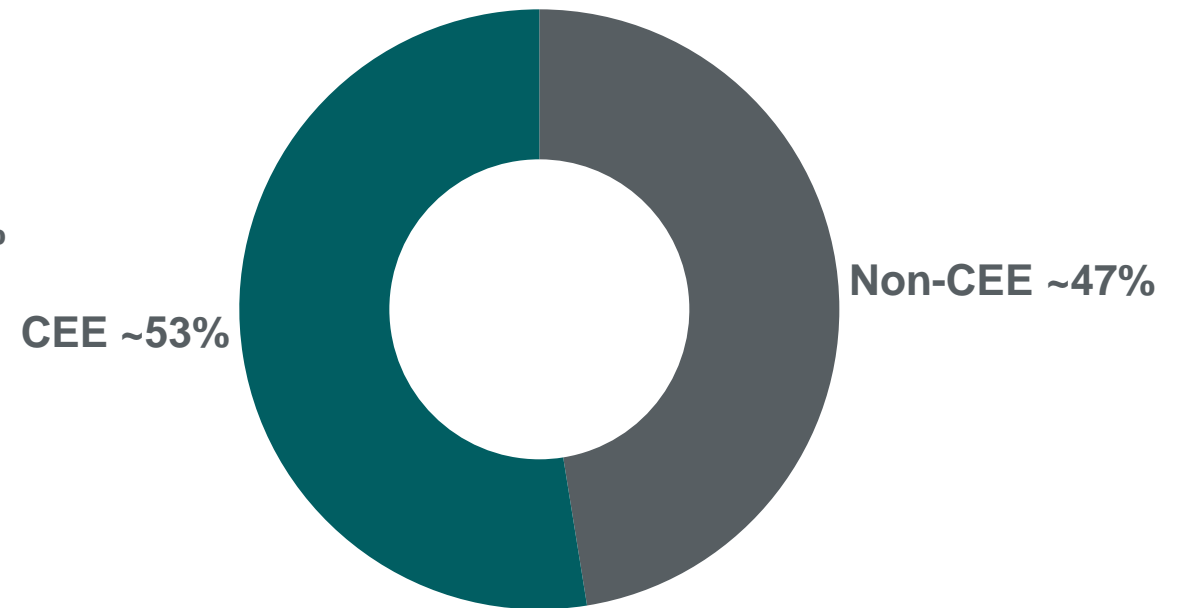
# DISTRIBUTION OF GROSS WRITTEN PREMIUMS AND PROFIT BEFORE TAXES CEE, NON-CEE



VIG generated around 57% of its GWP in the CEE region in 2019



VIG generated around 53% of its profit before taxes in the CEE region in 2019



Non-CEE: Austria, Germany, Liechtenstein

# VIENNA INSURANCE GROUP MARKET SHARES

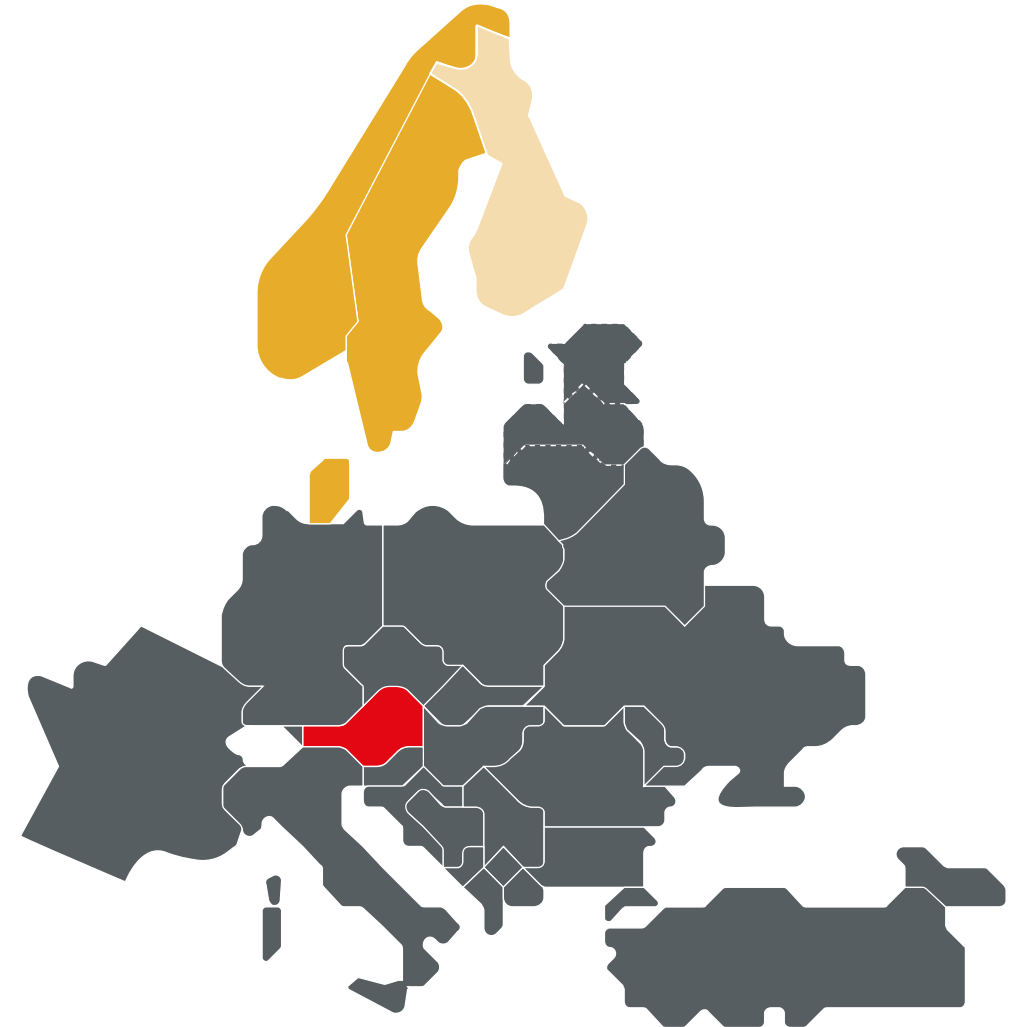
Country	Market position			Total market share
	Total	Non-life	Life	
Austria	1	1	1	22.8%
Czech Rep.	1	2	1	31.1%
Slovakia	1	2	1	31.1%
Poland	4	4	5	8.0%
Romania	1	2	2	20.2%
Baltic states	1	1	3	24.2%
Hungary	6	6	4	8.1%
Bulgaria	1	2	1	14.8%
	<b>Total</b>	<b>Non-life</b>	<b>Life</b>	



Source: Local authority – as of Q4 2019

# EXPANSION OF BUSINESS ACTIVITIES TO NORTHERN EUROPE

- **Three branches** opened in Sweden, Denmark and Norway (Finnish customers will be serviced within the framework of the freedom to provide services)
- **Risk diversification** and use of existing risk-bearing capacity
- VIG Holding profile strengthened
- **Targeted underwriting** by an experienced, local team
- Full integration into the Austrian corporate business service group – leading to a **high level of cost efficiency and control**



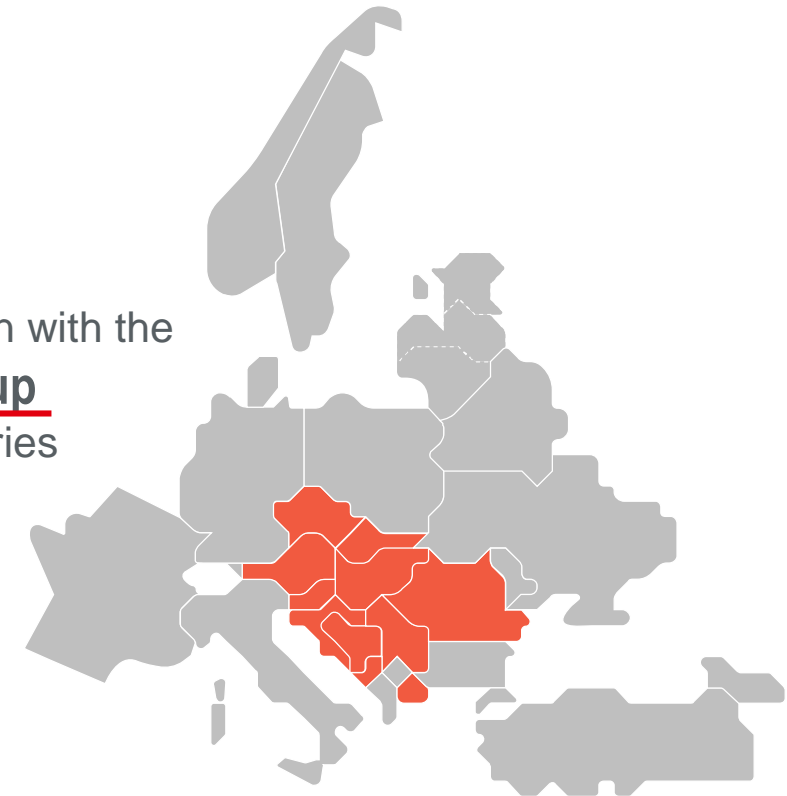
# DIVERSIFICATION OF DISTRIBUTION STRUCTURE

## MULTI-CHANNEL DISTRIBUTION

- Diversified distribution strategy makes it possible to access many customer groups and **take** their **different preferences into account**
- In addition to our **own sales employed sales force**, we also rely on **brokers and agents, multi-level marketing, direct and digital sales**
- **Bancassurance** is another important distribution channel
- The combination used depends on the particular **market circumstances** and legal requirements and is determined by **local management**



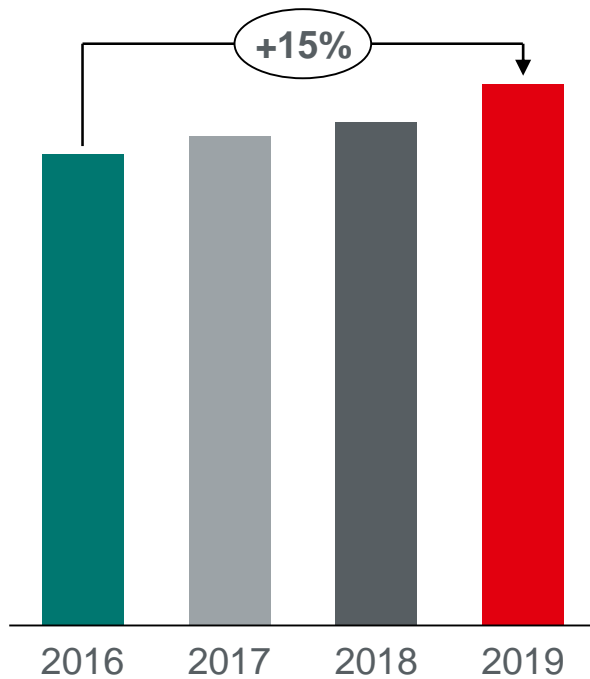
Cooperation with the **Erste Group** in 11 countries



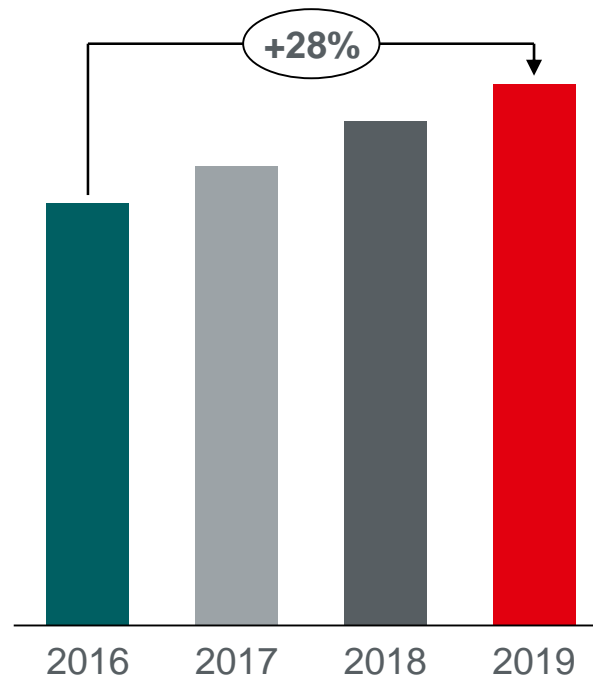


# CONTINUOUS POSITIVE DEVELOPMENT IN PREVIOUS YEARS

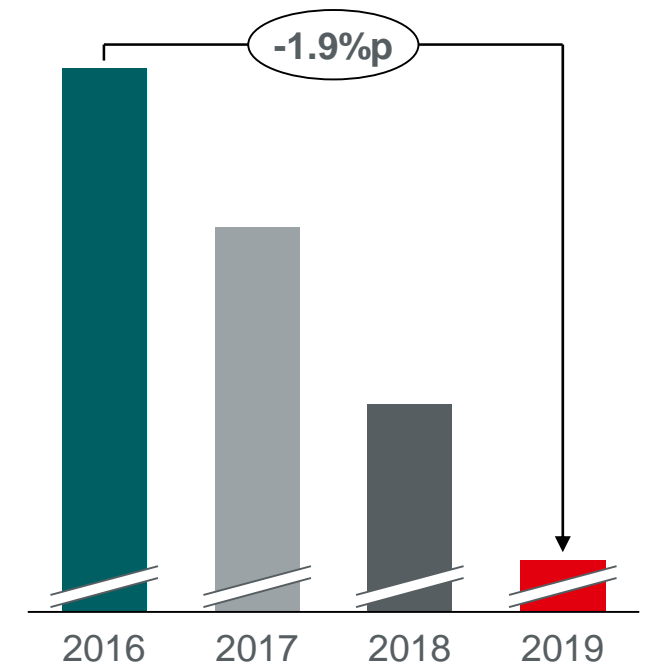
## Gross written premiums



## Profit before taxes



## Combined ratio

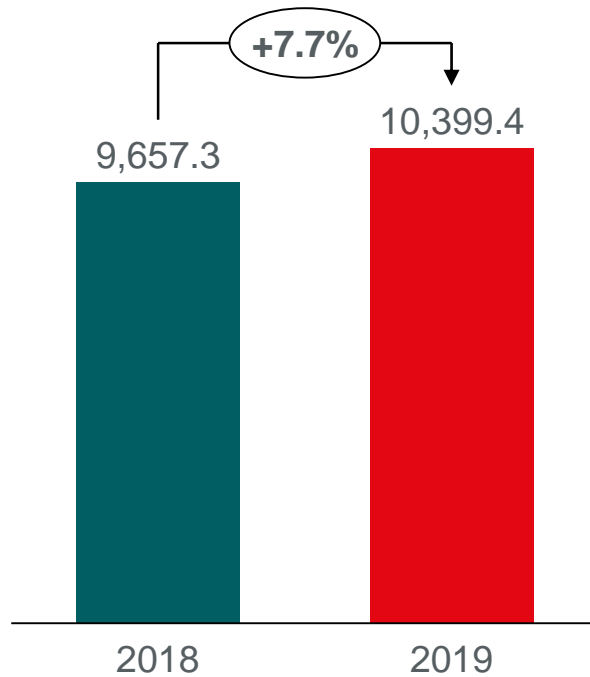




# TOP RESULTS IN 2019

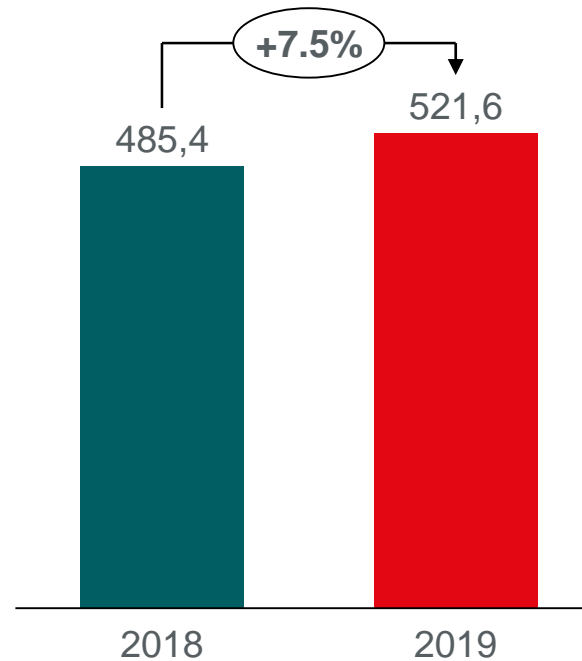
## Gross written premiums

~EUR 10.4bn



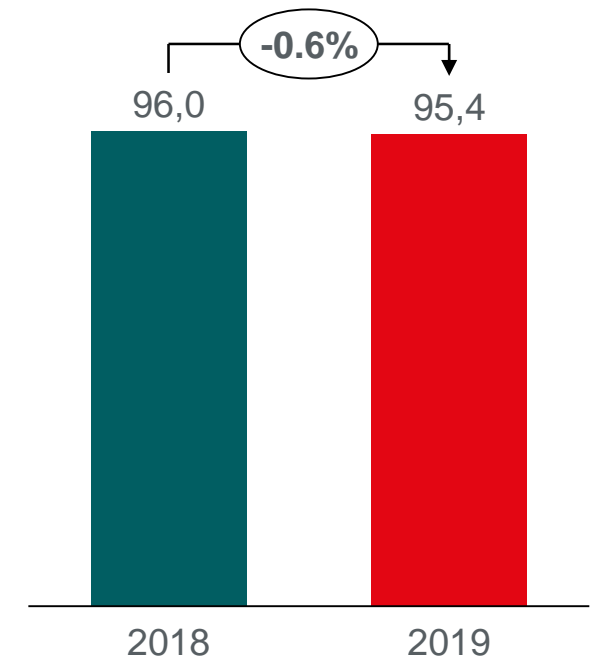
## Profit before taxes

EUR 521.6mn



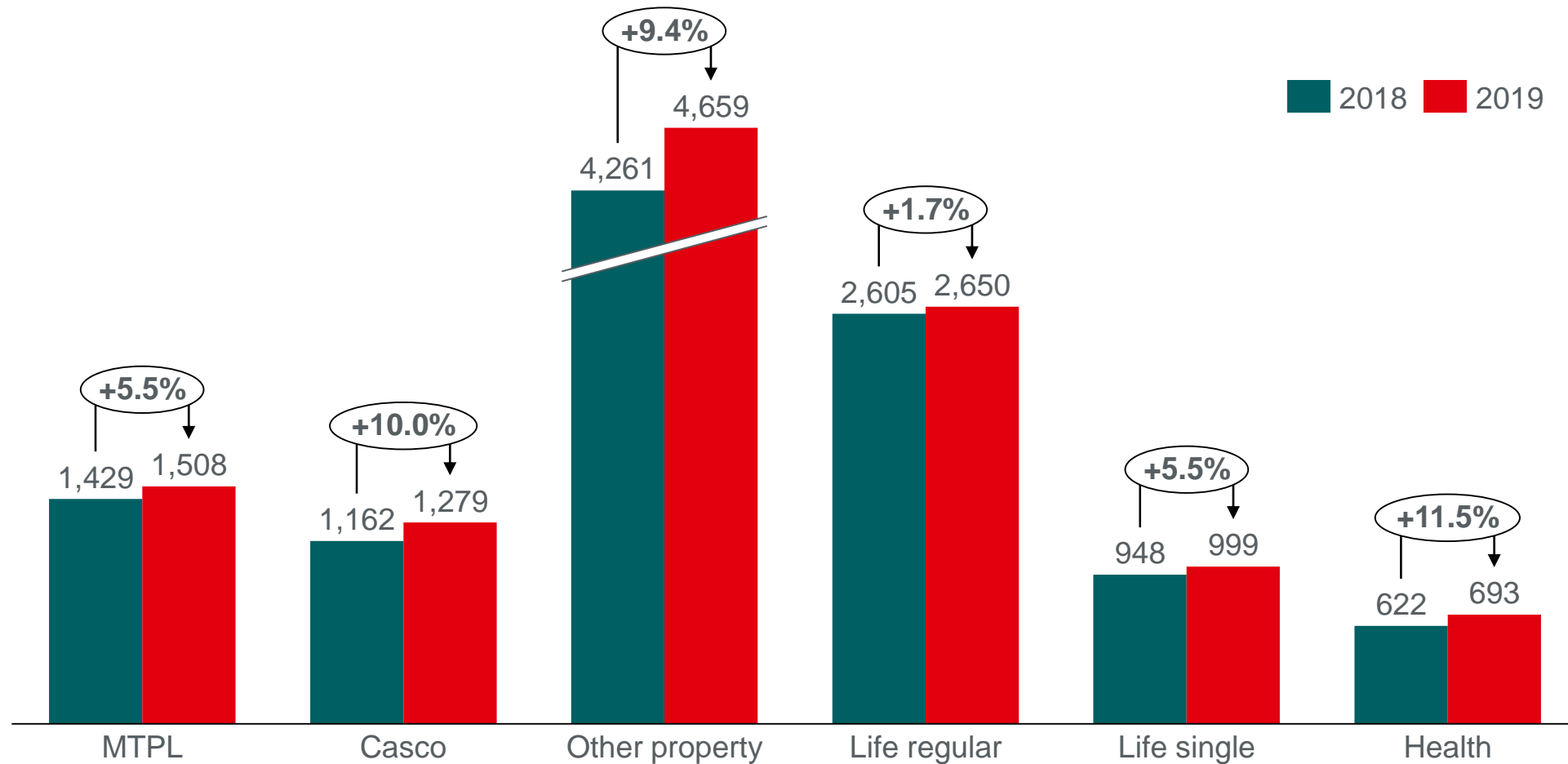
## Combined ratio

95.4%



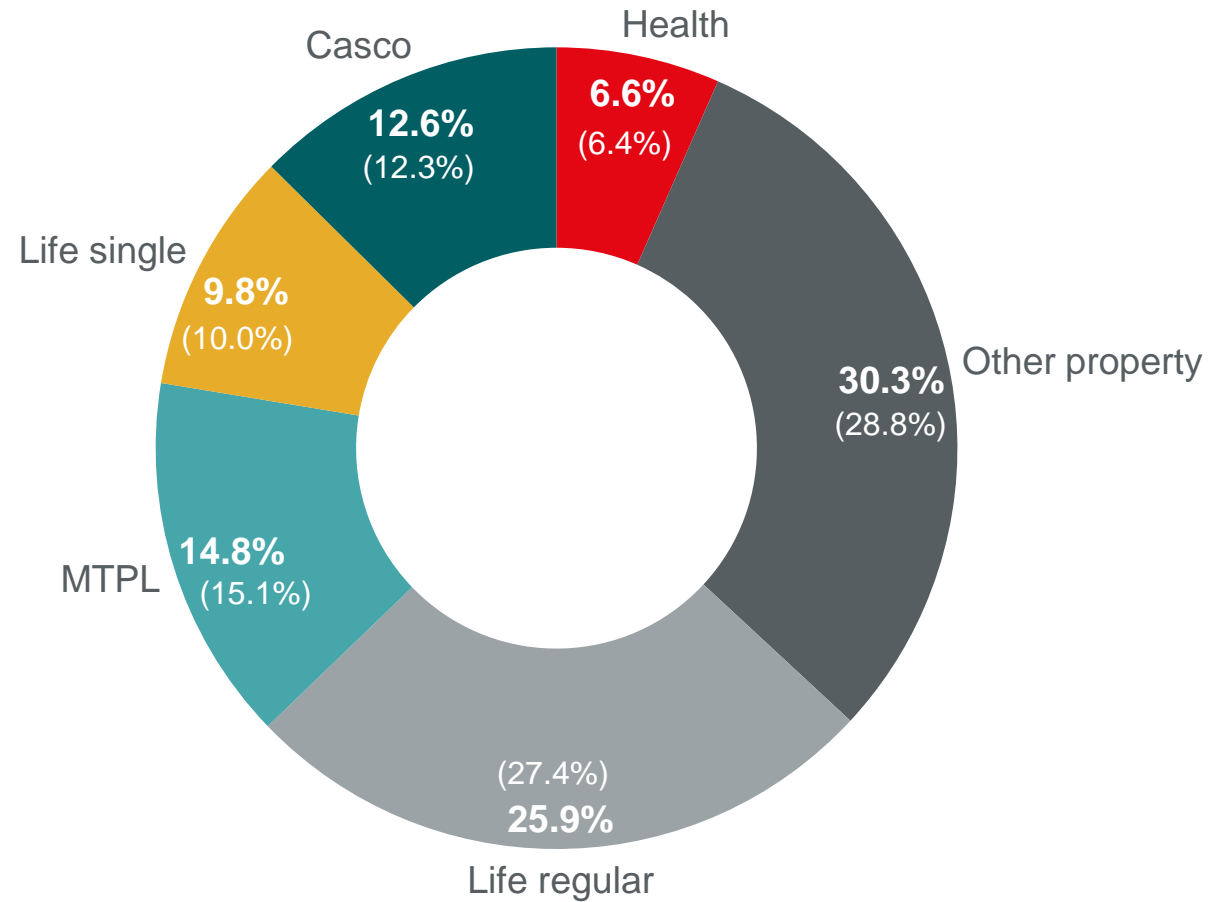
# GROSS WRITTEN PREMIUMS BY LINE OF BUSINESS

in EUR millions



# PREMIUMS BY LINE OF BUSINESS

Figures for 2018 in brackets

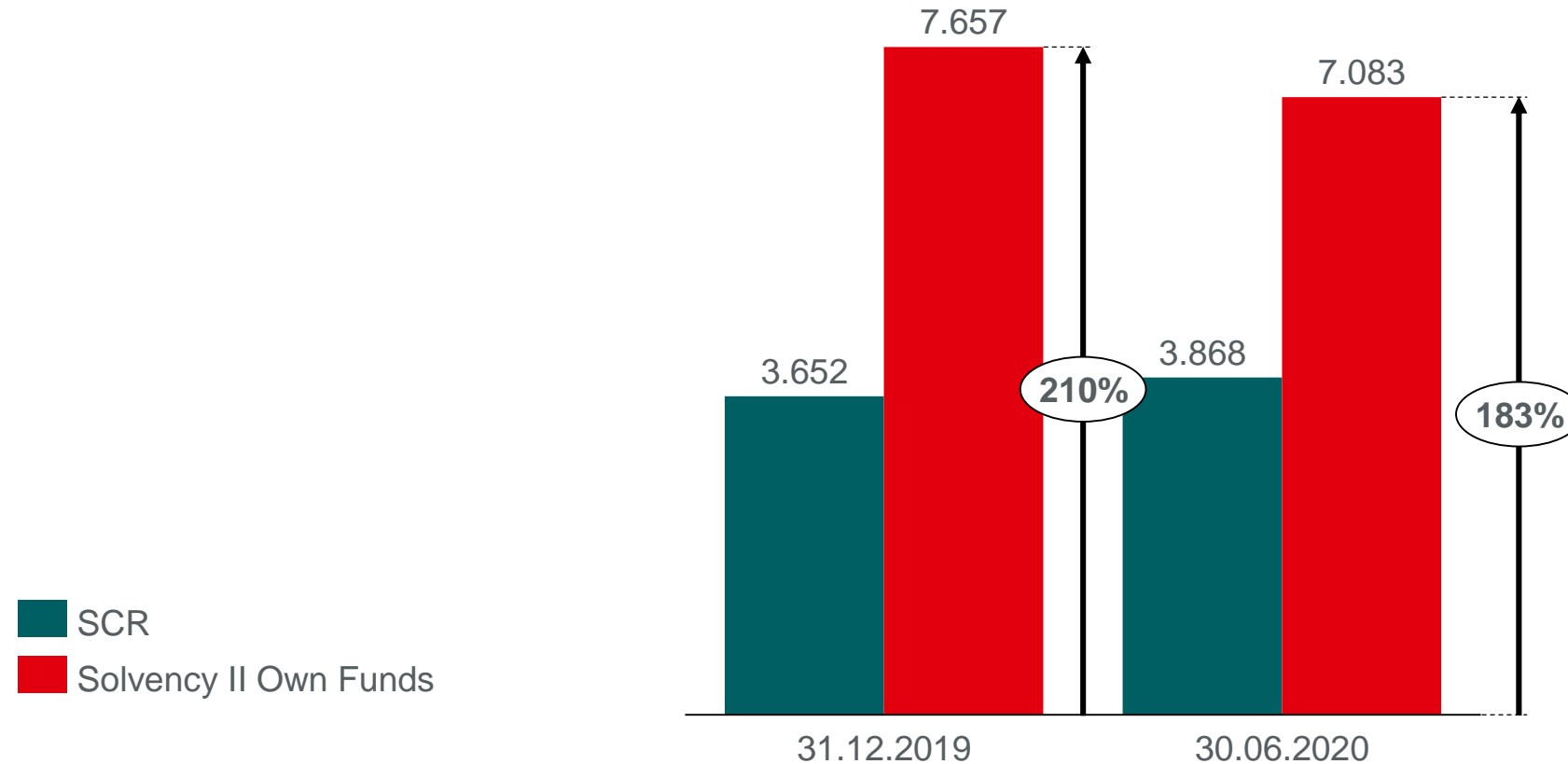


Exkl. Central Functions

Central Functions include VIG Holding, VIG Re, Wiener Re, the VIG Fund, non-profit societies, corporate IT service providers and intermediate holding companies.

# SOLVENCY RATIO VIG GROUP

in EUR millions

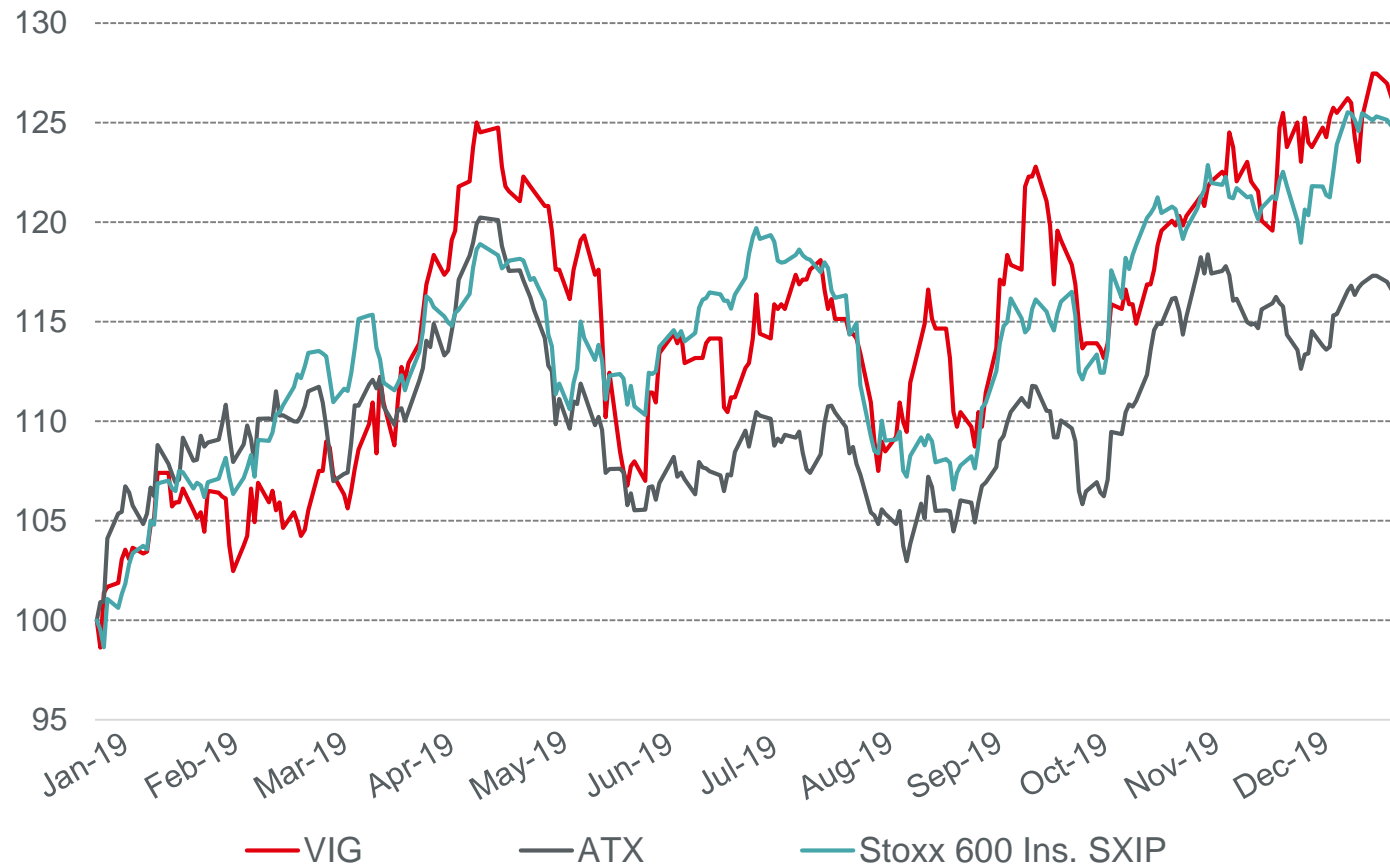




# VIG SHARE 2019

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

## VIG share price development compared to ATX and Stoxx Europe 600 Ins. Share performance compared to indices



	FY 2019
VIG (ATX)	25.2%
ATX	16.1%
STOXX® Europe 600 Insurance	24.4%

### Share price development VIG 2019

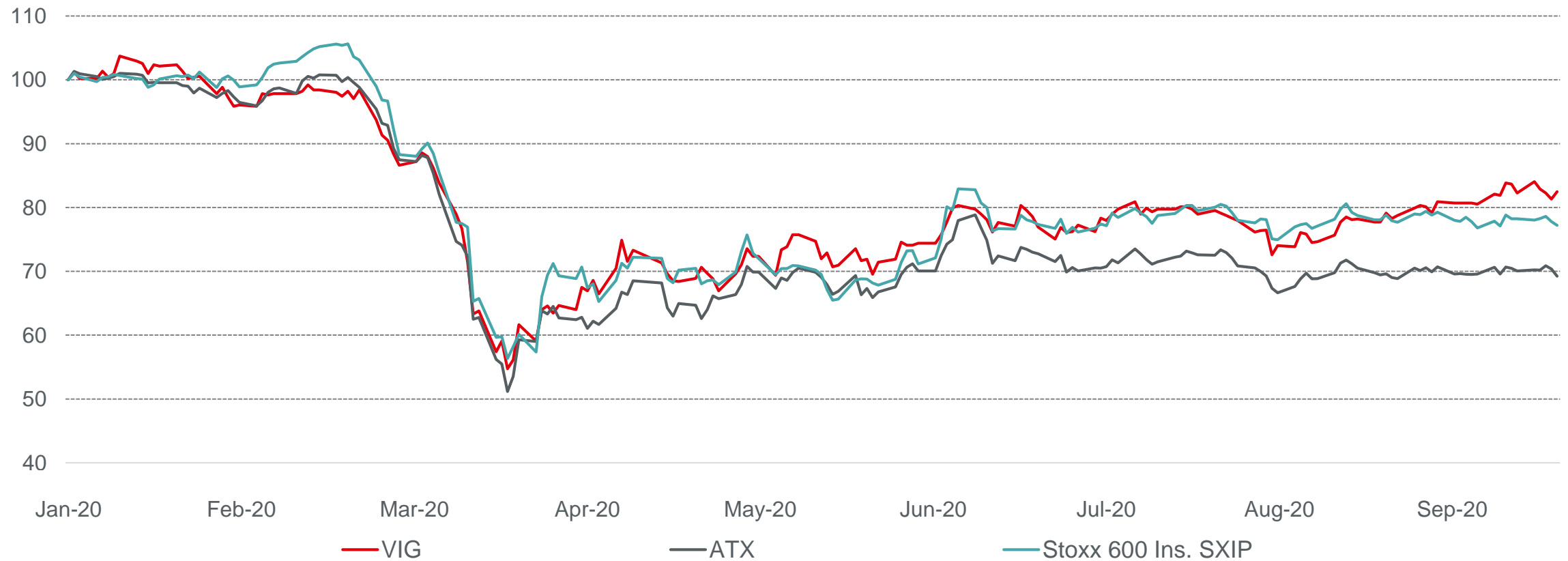
High	EUR	25.85
Low	EUR	20.00
Price as of 31 December 2019	EUR	25.40
Market capitalization	EUR	3.25bn



# VIG SHARE 2020

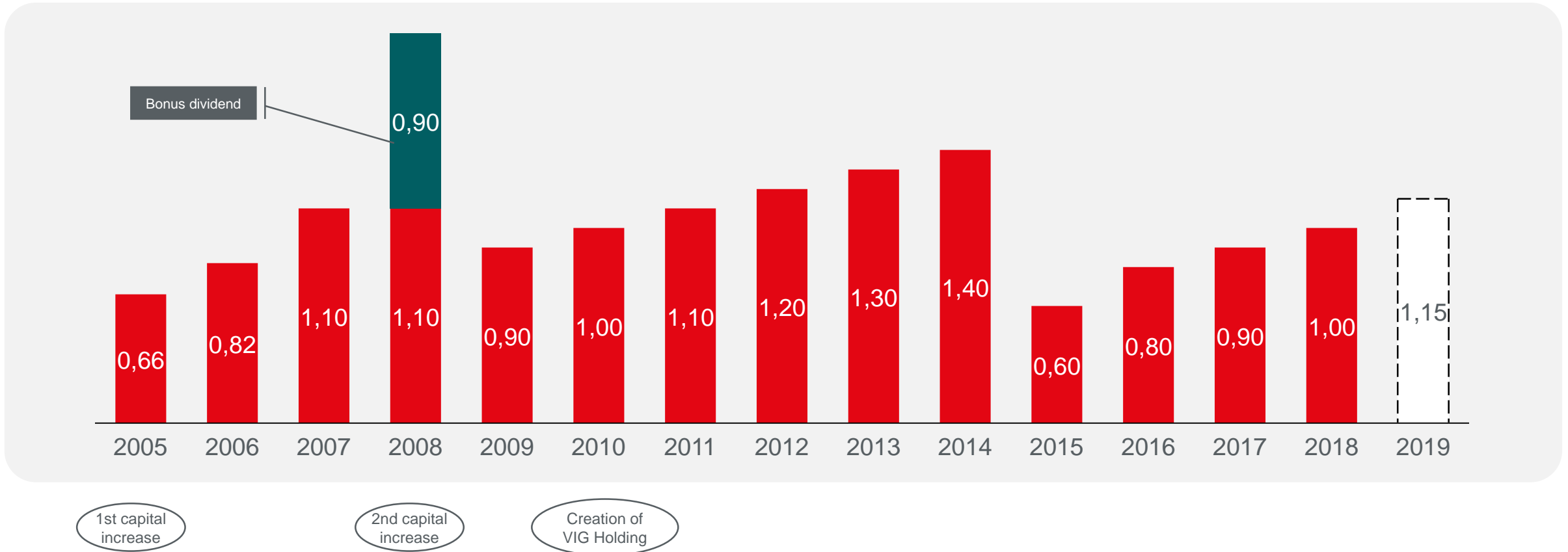
Number of common shares: 128,000,000 / ISIN: AT0000908504

VIG share price development compared to ATX and Stoxx Europe 600 Ins. until 18 September 2020



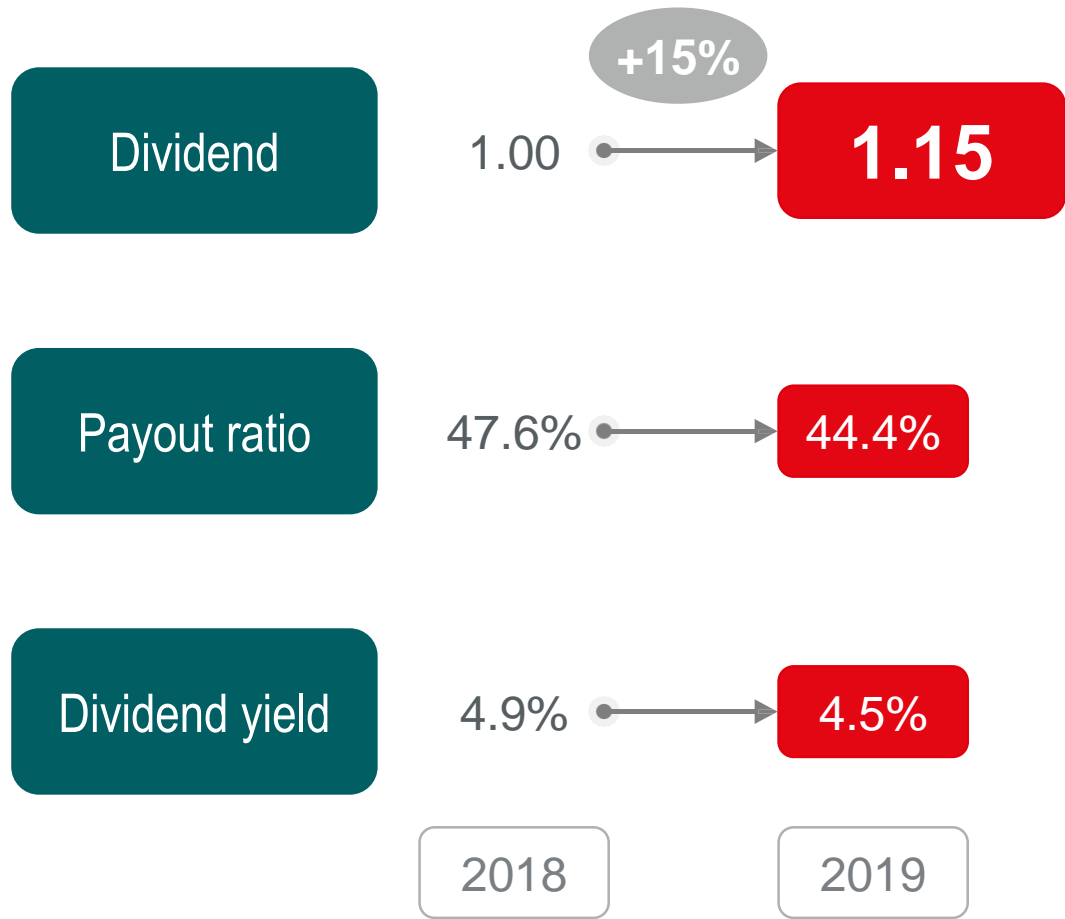


# DIVIDENDS HAVE BEEN PAID EVERY YEAR SINCE THE IPO IN 1994





# PROPOSED DIVIDEND



## Dividend policy:

- » Payout Ratio in a range of 30 – 50% of Group profits after taxes and non-controlling interests «



# AGENDA 2020 – OUR STRATEGY AND OBJECTIVES

## OBJECTIVES

Leader in Austria  
and the CEE region



Profitable  
growth



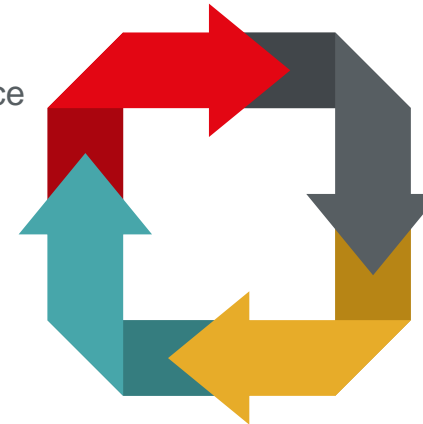
## MANAGEMENT PRINCIPLES

### Conservative focus

- Focus on excellence in underwriting (**income**)
- Conservative approach to investment and reinsurance (**volatility reduction**)

### Multi-channel distribution

- “Meet” customers where they are
- Broad, open market access supports “granularity” of the **approach to growth**



### Local entrepreneurship

- Above average (organic) **growth** through decentralised proximity to markets (developments, trends, etc.)
- Programmatic acquisitions while maintaining local positioning

### Multi-brand strategy

- Local identification using market-specific brand(s)
- Coverage of a large area using multiple brands per market for **growth**

# AGENDA 2020 – UPDATE

**ENSURING FUTURE VIABILITY**



**BUSINESS MODEL  
OPTIMISATION**



**ORGANISATION AND  
COOPERATION**



# AGENDA 2020: ENSURING FUTURE VIABILITY

## Expansion of business areas

- **Health insurance**  
Premium increase of 42% in key countries in 2019
- **Bankassurance**  
Group-wide premium increase of 5.2% in 2019
- **Reinsurance**  
VIG Re premium increase of ~15% in 2019

## Insurance of the future

- **Plug & Play partnership:** Global innovation platform; providing access to more than 15,000 start-ups worldwide
- **Cooperation with Digital Impact Labs Leipzig**
- **Beesafe digital insurer in Poland (pilot)**

## Digitalisation

- ~ 180 ongoing **digitisation projects**
- ~ € 200mn **investment** in digitalisation

## Assistance

- ~400,000 assistance cases in 2019; summing up to 900,000 since the beginning of Agenda 2020
- 5 assistance **companies** in 8 CEE countries (Incorporation of the 6th company (in the Baltic States) planned for 2020)



# AGENDA 2020: BUSINESS MODEL OPTIMISATION

## Antifraud management

- 2019: Roll-out in 8 more companies in 4 countries
- Total: 21 companies in 14 countries

## Shared services and mergers

- 10 companies merged

## Closed file review (CFR)

- 2019: Performed in 5 more companies in 4 new countries
- Total: 14 companies in 9 countries

## Optimising the profitability of motor insurance

- Truck portfolio reduced by 21% YoY
- Establishment of motor strategy lab for strategic initiatives

# SUSTAINABILITY IS ANCHORED IN THE CORE OF OUR STRATEGY ...

»» We are a **responsible, forward-looking company**, and we are committed to linking our financial targets with **social and environmental aspects**. ««

## Our areas of activity:

### CSR IN OUR CORE BUSINESS

Sustainable management and compliance with rules and regulations

### CUSTOMERS

Responsibility for products and customers

### EMPLOYEES

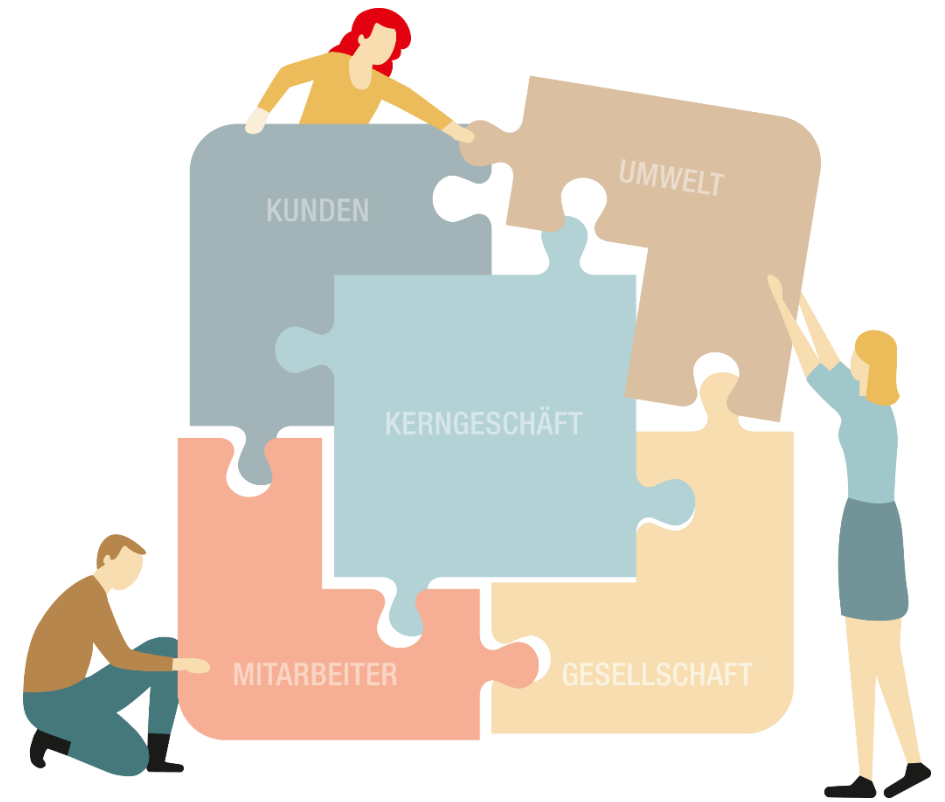
Treating employees with respect

### SOCIETY

Involving the community

### ENVIRONMENT

An environmentally friendly mind-set



# ... AND IS TRULY PART OF OUR DAY-TO-DAY LIFE

## E

- **Climate Change Strategy**  
Gradual withdrawal from the coal sector by 2035; no new insurance coverage
- Investments in **GREEN BONDS** doubled to EUR 154 million in 2019
- Distribution of **sustainability-oriented unit-linked products**  
(in cooperation with Erste Bank)

## S

- **Non-profit housing societies**  
The group has promoted social housing for more than 30 years. 100,000 housing units are being provided at affordable rents
- Support for the **battle against COVID-19** –  
VIG holds an interest in the biotech company APEIRON Biologics
- **DIVERSITY MANAGEMENT** in VIG Human Resources

## G

- **VIG Code of Business Ethics**  
Fundamentally revised in 2019. Includes 15 clear principles
- **CORPORATE GOVERNANCE**  
VIG Holding complies with all of the provisions of the Austrian Corporate Governance Code



# SOCIAL INVOLVEMENT IN THE GROUP

» Fulfilling our **social responsibility** to people in the 30 countries where the Group is represented, by promoting **numerous projects**, reflects the company’s perception of itself. Many of these initiatives are in general **supported by the Group’s main shareholder, Wiener Städtische Versicherungsverein.** «

## SOCIAL ACTIVE DAY

Vienna Insurance Group gives employees time off to spend a day working voluntarily on social projects. Every year, numerous employees in various countries send a strong signal underlining their dedication, charitable spirit and sense of solidarity.

**39**  
participating Group  
companies

**21**  
supporting countries

**47380**  
hours of work

**5923**  
employees taking part

## VIG KIDS CAMP

Wiener Städtische Versicherungsverein invites around 500 children of VIG insurance company employees to Kids Camp in Austria each year. The 10th anniversary was celebrated in 2019.





# CARER WITH A HEART

»» Around a half a million Austrians need support and assistance in their day-to-day lives. “**Carer with a heart**” brings all those active in the area of nursing care to the stage. ««



## Initiators



Wiener Städtische Versicherungsverein started this initiative together with Wiener Städtische in 2012

## Partner



# FURTHER SOCIAL INITIATIVES



# Caritas

DONAU Versicherung im Einsatz für saubere Donau-Auen





## SOME OF THE AWARDS RECEIVED BY VIG IN 2019



VIG Holding is the **MOST DIVERSE COMPANY** in Austria according to the BCG Gender Diversity Index



The Bulgarian company Bulstrad Non-Life was **INSURER OF THE YEAR** again in 2019



According to *market*, VIG Insurance Group is one of the three **MOST IMPORTANT INSURERS** in Austria and, according to *Börsianer*, it is the **MOST INNOVATIVE INSURANCE COMPANY**



Hat trick for Croatian company Wiener Osiguranje at the *Dani komunikacijain* festival: **BRAND AWARENESS, BEST SEARCH** and **FINANCIAL & INSURANCE SERVICES**



Wiener Städtische chosen to the most **WOMEN- AND FAMILY-FRIENDLY COMPANY** in Vienna by Association *Taten statt Worte*



Turkish company Ray Sigorta won the **CUSTOMER EXCELLENCE AWARD** and was named a **CERTIFIED GREAT PLACE TO WORK**

# S&P RATING

Rating financial year 2018:

- A+ Rating with stable outlook – Business risk profile: “strong”, financial risk profile: “very strong”
- Leading market position in Central and Eastern Europe
- Diverse product portfolio including solid Premium diversification
- Multi-brand strategy, multi-channel distribution and the geographical and product-specific diversification essential for the evaluation
- In a market comparison, S&P highlights VIG's outstanding continuously positive operating performance

Published rating report of 29 November 2019

Rating of VIG Holding as of  
23 September 2020:  
**A+ RATING WITH STABLE OUTLOOK**

**STANDARD  
& POOR'S**

re-confirms VIG rating of



# CURRENT CHALLENGE OF THE COVID-19 PANDEMIC

# VIG AD HOC COVID-19 MEASURES

## EMERGENCY RESPONSE

- Focus on protecting employee and customer health (rapid use of home offices, provision of laptops)
- Use of digital tools to ensure availability for customers and partners
- Continuation of insurance operations and assessment of the situation
- Intensive communication with employees and partners



## STABILISATION

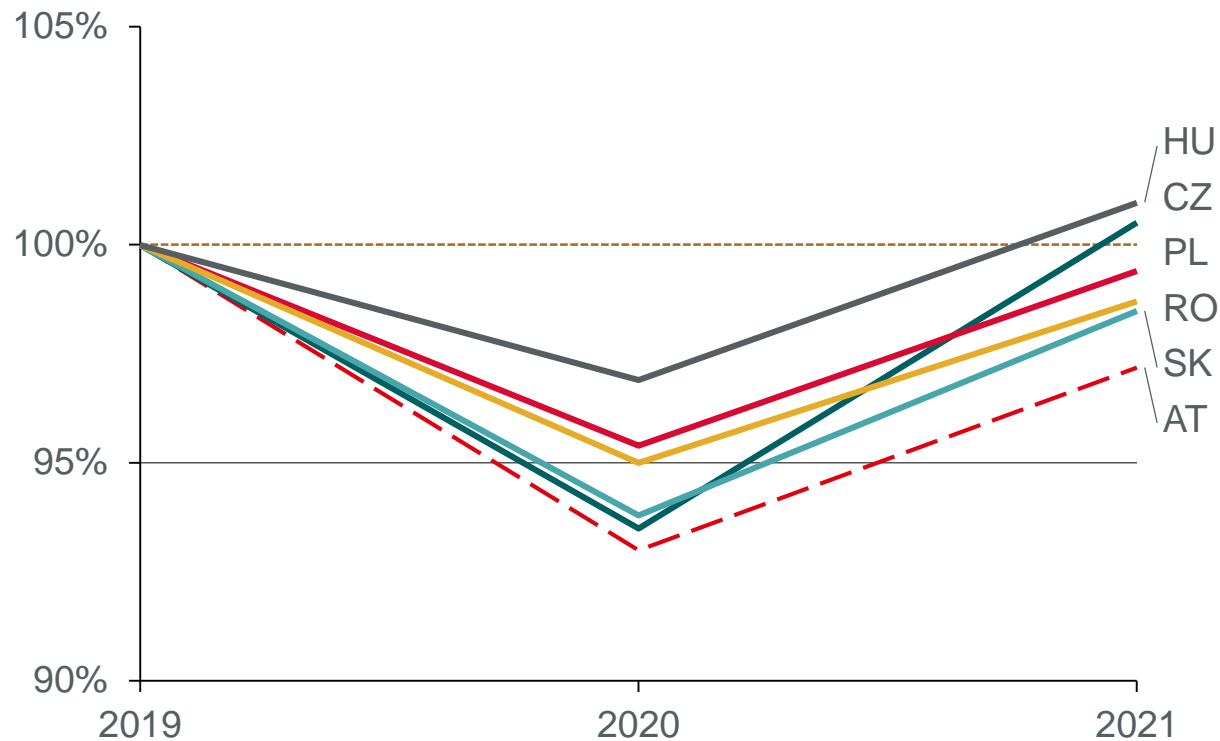
- Focus on “protecting what matters”, i.e. customers and employees
- Liquidity reporting within the Group
- Monitor legal provisions and developments in countries
- Monitor vital long-term factors, such as liquidity, effect of claims, SII and top-line development



Insurance operating model quite robust during COVID-19 periods

# ECONOMIC DEVELOPMENT DUE TO THE COVID-19 PANDEMIC

Expected real GDP 2019 – 2021



- » Global economy is projected to contract worse than during the financial crisis 2008/2009
- » In the short-term, impacts stronger for countries with higher dependency from trade and tourism
- » Impact of the COVID-19 crisis on the CEE markets projected to be significantly weaker according to various analysis
- » Near-shoring potentially a chance for CEE region in the future

Source:  
IMF

# INVESTMENT IN APEIRON

## APEIRON Biologics AG

- Austrian biotech company
- Discovery and development of new forms of cancer immunotherapy
- Development of a medication for use with COVID-19 patients together with Dr. Josef Penninger
- Direct investment of >3%, VIG invests EUR 7 million



Dr. Josef Penninger

## Other VIG investments



The Kooperativa foundation in the Czech Republic provided more than EUR 37,000 to charitable organisations to acquire protective clothing, disinfectants and medications



GPI Holding established a fund that was used to pay a first tranche of EUR 29,000 to the Centre for Infectious Diseases



OMNIASIG in Romania provided EUR 50,000 to finance urgently needed medical equipment





# SOCIAL RESPONSIBILITY IN TIMES OF CORONA

In addition to existing **sponsoring cooperations**, Volkshilfe and Caritas were supported in their Corona emergency aid funds.

**Free face masks** were given to aid organizations.

Bator Tabor in Hungary has set up "**Digital Home Camps**" to care for sick children and their families during Corona

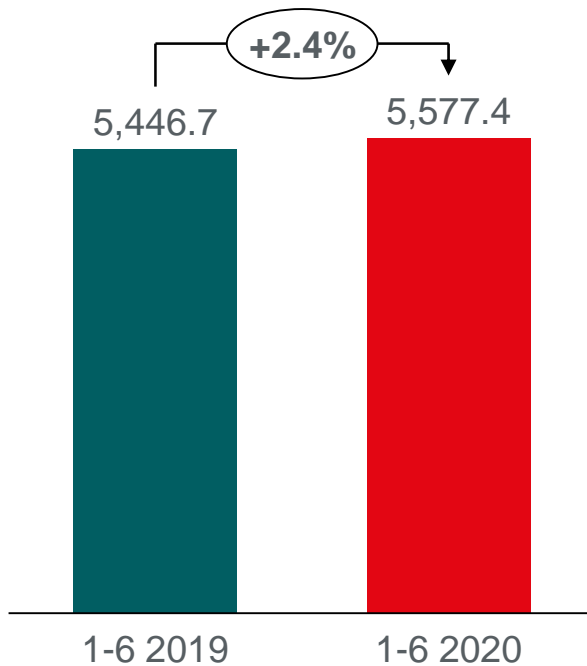




# CURRENT FIGURES FOR THE FIRST HALF OF 2020

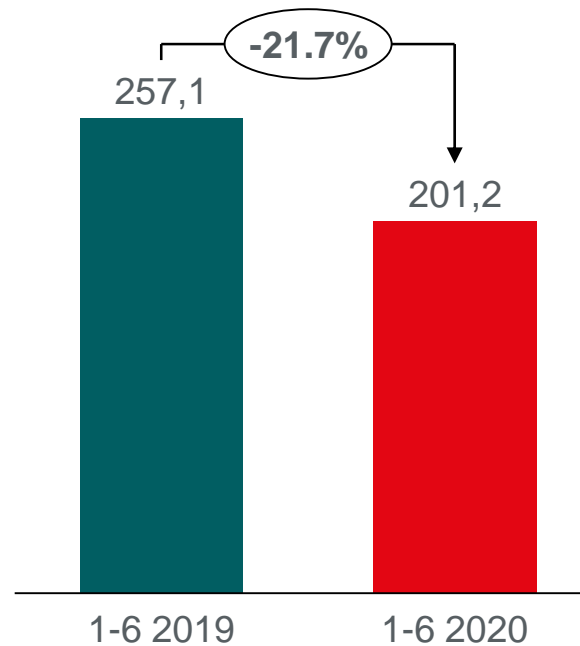
## Gross written premiums

~EUR 5.6bn



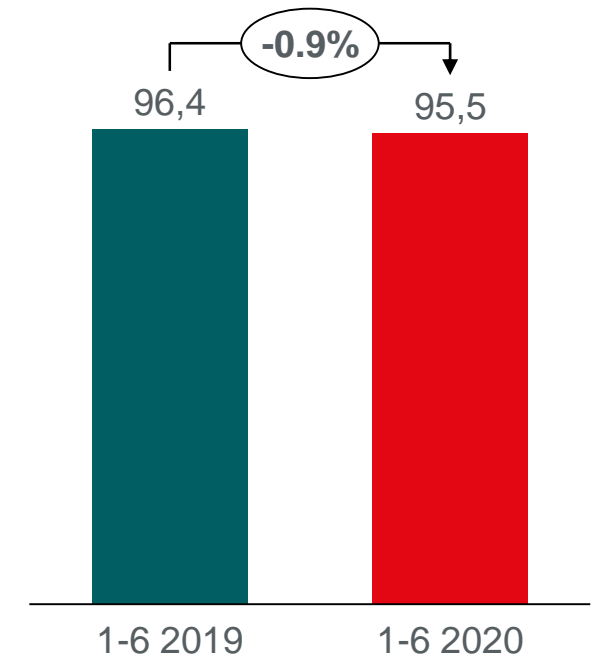
## Result before taxes

EUR 201.2mn



## Combined ratio

95.5%



# 29TH ANNUAL GENERAL MEETING

Vienna Insurance Group AG  
Wiener Versicherung Gruppe

Vienna, 25 September 2020







VIG 

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VIENNA INSURANCE GROUP

Protecting what matters.