

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

Remuneration Report 2024

In case of doubt, the German version prevails.

Table of contents

- 1. Introduction – business performance 3**
- 2. Remuneration report relating to members of the Managing Board 4**
 - 2.1 General 4
 - 2.2 Overview of the aggregate remuneration 5
 - 2.2.1 Fixed remuneration 5
 - 2.2.2 Variable remuneration 6
 - 2.2.3 Remuneration granted by subsidiaries 8
 - 2.2.4 Ancillary benefits which are not success-based 9
 - 2.2.5 Overview of the aggregate remuneration for active members of the Managing Board..... 9
 - 2.2.6 Remuneration for previous members of the Managing Board 10
- 3. Remuneration report relating to members of the Supervisory Board..... 10**
 - 3.1 General 10
 - 3.2 Overview of the aggregate remuneration 11
 - 3.2.1 Fixed remuneration 11
 - 3.2.2 Variable remuneration 11
 - 3.2.3 Other parts of the remuneration and other agreements 11
 - 3.2.4 Individual remuneration 11
- 4. Other information and explanations..... 12**

The following remuneration report was prepared by the Managing Board and Supervisory Board of Vienna Insurance Group AG Wiener Versicherung Gruppe and gives a detailed overview of the remuneration paid or owed to current or previous members of the Managing Board and Supervisory Board during the financial year 2024.

1. Introduction – business performance

Vienna Insurance Group AG Wiener Versicherung Group closed 2024 with a double-digit premium growth and a strong profit growth and once again proved itself to be a stable and reliable partner in challenging times. In 2024, the premium volume of EUR 15.2 billion exceeded the previous year's figure by 10%, while profit before taxes increased to EUR 881.8 million (+14%).

Gross written premiums

Premium growth was driven by all reporting segments and lines of business. With double-digit growth rates, gross written premiums in the Extended CEE (+10.5%) and Special Markets (+59.4%) segments increased significantly year on year. Of the countries in the Extended CEE segment, Romania (+16.3%), the Baltic States (+10.4%), Slovakia (+7.4%) and Bulgaria (+14.8%) in particular recorded dynamic premium growth. In the Special Markets segment, Türkiye (+96.7%) especially saw strong premium growth. In terms of the lines of business, there were double-digit increases in motor third-party liability insurance (+11.6%), motor own damage insurance (+12.2%), other property and casualty insurance (+10.3%) and health insurance (+14.2%). Life insurance premiums have increased by 6%.

26% of gross written premiums were generated in Austria, 14% in the Czech Republic, 10% in Poland, 26% in Extended CEE and 9% in Special Markets.

Insurance service revenue: EUR 12,138.5 million | +11.1%

The increases here are attributable to all segments and primarily to the growth in property and casualty in the Extended CEE and Special Markets segments.

Profit before taxes: EUR 881.8 million | +14.1%

The increase stems primarily from the significant higher profits in Poland, the Extended CEE and Special Markets segments. Net profit after taxes and non-controlling interests rose by 15.4% to EUR 645 million.

Austria accounted for the largest share of profits at 38%, followed by the Czech Republic at 24%, Poland at 7%, Extended CEE at 18% and Special Markets at 10%.

Insurance service expenses: EUR 10,656.8 million | +15.0%

The increase is primarily due to a significantly higher business volume.

Net combined ratio: 93.4% | 2023: 92.6%

The increase in the net combined ratio is due to the increase in weather-related claims, in particular caused by storm Boris.

New business margin in life and health insurance: 10% | +1.1 percentage points

Operating return on equity: 16.4% | 2023: 15.1%

Investments: EUR 36.5 billion | +3.4%

Solvency: 261%

The Group's preliminary solvency ratio as of 31 December 2024 was 261%. The Group therefore remains very well capitalised.

Outlook 2025

VIG has managed the impact of challenging geopolitical and macroeconomic conditions very well so far and is well prepared for the volatile environment. Based on this, a positive performance is also expected for the 2025 financial year. VIG's Managing Board has the ambition to achieve profit before taxes within a range of EUR 950 million and EUR 1 billion for the 2025 financial year.

2. Remuneration report relating to members of the Managing Board

2.1 GENERAL

The remuneration policy sets out the rules for the establishment of a remuneration practice in accordance with the principles which must be considered by the Supervisory Board and/or the Supervisory Board Committee for Managing Board Matters when passing a resolution on the remuneration structure and the scope and weighting of specific targets for the variable remuneration:

- The financial terms and other benefits offered to a member of the Managing Board must be sufficiently attractive to ensure that suitable individuals can be identified and retained. The remuneration is an important part of such package.
- The remuneration of members of the Managing Board must prioritise the variable component and, thus, must be proportionate to the success of the Company.
- The remuneration of members of the Managing Board should emphasise the objective to promote the long-term interests and the sustainability of the Company's success – depending on the sustainable development of the Company – by deferring payment of a significant portion of the variable remuneration.
- The remuneration should promote the implementation of the Group strategy by selecting and identifying targets in connection with the variable remuneration. The corresponding targets in connection with the variable remuneration should promote the management's awareness of the corporate social responsibility of a major company.

The remuneration of members of the Managing Board consists of fixed and variable components. Currently, the remuneration of the Managing Board does not include a share-based remuneration.

The ratios within the aggregate remuneration, i.e. the monetary remuneration as contractually agreed or based on annual resolutions of the Supervisory Board Committee for Managing Board Matters, are as follows:

	CHAIRPERSON OF THE MANAGING BOARD				
	Ratios according to the remuneration policy	Maximum possible remuneration for 2024		Actual entitlement for 2024 ¹⁾	
Fixed remuneration (clause 2.2.1 of the remuneration policy)	50-52 %	895	52 %	895	53 %
Contractually agreed bonus if targets are achieved (clause 2.2.2 a of the remuneration policy)	35-37 %	620	36 %	589	35 %
Specific remuneration (clause 2.2.2 b of the remuneration policy)	12-14 %	220	13 %	189	11 %
TOTAL	100 %	1 735	100 %	1 673	100 %

	MEMBERS OF THE MANAGING BOARD ²⁾ (EXCL. CHAIRPERSON)				
	Ratios according to the remuneration policy	Maximum possible remuneration for 2024		Actual entitlement for 2024 ¹⁾	
Fixed remuneration (clause 2.2.1 of the remuneration policy)	55-58 %	3 279	56 %	3 279	59 %
Contractually agreed bonus if targets are achieved (clause 2.2.2 a of the remuneration policy)	29-32 %	1 809	31 %	1 611	29 %
Specific remuneration (clause 2.2.2 b of the remuneration policy)	12-14 %	776	13 %	667	12 %
TOTAL	100 %	5 864	100 %	5 558	100 %

¹⁾ contractually agreed bonus and specific remuneration as granted, due in accordance with the sustainability requirements for the years 2025 to 2028

²⁾ including Deputy Member of the Managing Board

This overview does not consider any financial and non-financial ancillary benefits, for example the private use of a company car, any supervisory board remuneration granted by subsidiaries.

2.2 OVERVIEW OF THE AGGREGATE REMUNERATION

2.2.1 FIXED REMUNERATION

The fixed remuneration is a specific amount owed to a member of the Managing Board and is specified in the respective management agreement. This amount is the annual gross salary and is paid in instalments. The fixed remuneration must be of a sufficient amount to prevent a member of the Managing Board from predominantly depending on the variable remuneration. The fixed remuneration of the members of the Managing Board who were active on 31 December 2019 will be adjusted on an annual basis in proportion to the salary of the other employees of the Company. The remuneration of the members of the Managing Board appointed as from 1 January 2020 is not subject to such automatic adjustment.

In the financial year 2024, the total fixed component of active members of the Managing Board was tEUR 4,174.

	2024	2023
LÖGER	895	803
HÖFINGER	740	645
HIRNER	644	573
LAHNER	580	529
LEHEL	580	576
RIENER	580	576
RATH ¹⁾	155	-
STADLER	-	434
THIRRING	-	285
TOTAL	4 174	4 421

¹⁾ appointed as a deputy member of the Managing Board with effect from 1 September 2024

2.2.2 VARIABLE REMUNERATION

The variable remuneration includes in any event a **contractually agreed bonus** if targets are achieved. This bonus is an amount specified in the management agreement and owed to a member of the Managing Board if certain annual predefined performance and/or success criteria are achieved. The contractually agreed bonus depends on financial and non-financial targets.

The following deferral rule based on sustainability requirements must be satisfied in connection with the accounting for and/or payment of a bonus:

60% of the bonus earned for the financial year 2024 will be paid in the financial year 2025.

40% of the bonus earned for the financial year 2024 is subject to a sustainability-oriented deferral rule. The part of the bonus subject to sustainability requirements will be distributed in equal shares among the three following financial years and approved by the Supervisory Board Committee for Managing Board Matters in the financial years 2026, 2027 and 2028 subject to the sustainable development of the Company. This requires an earnings target achievement of at least 50% in the financial year prior to the respective part becoming due and payable.

In the course of the determination of the targets and other criteria for the payment of a bonus, the Supervisory Board Committee for Managing Board Matters can, pursuant to clause 2.2.2 b of the remuneration policy, also announce specific targets and a corresponding extraordinary and/or specific remuneration for all or individual members of the Managing Board in advance (for example, for the overfulfilment of targets, country-specific targets, or in connection with a specific strategic orientation). Specific remuneration based on the satisfaction of criteria specified in advance is also subject to sustainability requirements. For 2024, the members of the Managing Board were also awarded an additional amount of approximately 21% to 26% of the contractually agreed bonus for the achievement of strategic special targets. Details of the targets and their achievement can be found below, with, among other things, the country responsibility of the individual members of the Managing Board being taken into account.

In exceptional cases, the Supervisory Board Committee for Managing Board Matters can also grant monetary awards for extraordinary performance of the Managing Board or its individual members with retrospective effect to the extent such performance is not subject to a contractually agreed bonus or a specific remuneration (clause 2.2.2 c of the remuneration policy). No such monetary awards were granted in the reporting year 2024.

The variable remuneration of the Managing Board includes financial as well as non-financial targets.

The details of each target component are as follows:

	Weighting	Target value	Actual value
Profit before tax	20 %	EUR 850 m	
Minimum requirement ¹⁾		EUR 852 m	EUR 881,8 m
Specific remuneration (clause 2.2.2 b of the remuneration policy) ²⁾		at least EUR 880 m	
Results pursuant to the Austrian Commercial Code (UGB)	20 %	EUR 270 m	
Minimum requirement ¹⁾		EUR 256,5 m	EUR 290,8 m
Specific remuneration (clause 2.2.2 b of the remuneration policy) ²⁾		at least EUR 283,5 m	
Solvency Ratio ³⁾	25 %	250,0%	
Minimum requirement ⁴⁾		235,0%	250,1%
Specific remuneration (clause 2.2.2 b of the remuneration policy) ²⁾		260,0%	
Combined Ratio IFRS 17/9 ⁵⁾	20 %	95,5%	95,2%

¹⁾ If the minimum requirement is met, the bonus for this target is calculated on a pro rata basis.

²⁾ If these targets are exceeded, an additional amount of around 14% (CEO) and around 17% (other members of the Managing Board) of the contractually agreed bonus will be granted.

³⁾ without transitional measures and taking into account effects beyond management's control

⁴⁾ If the minimum requirement is met, 50% of the bonus attributable to this target is payable in the event of 100% target achievement.

⁵⁾ undiscounted; taking into account special measures, the target was assessed at 75% achievement

In line with responsible and strategic corporate management principles, particular attention was paid to market developments in specifically defined countries aimed at shoring up market position in the 2024 financial year. This target was considered to have been achieved in Austria, Germany, Bulgaria, and the Czech Republic. There was a decline in market share in Hungary, Slovakia, Poland and Serbia, which is why the target is considered not to have been achieved in those markets.

The members of the Managing Board were also able to earn a special remuneration for strategic special targets in accordance with clause 2.2.2 (b) of the remuneration policy for the 2024 fiscal year, which focused on key aspects of strategic and operational corporate development. They included promoting diversity by securing or increasing the share of women in management positions, strengthening economic success in the life/health business by improving the CSM ratio, and strengthening the financing structure to sustainably secure capital strength and entrepreneurial flexibility.

All three sub-targets were achieved as planned and with measurable success in the reporting period: The share of women in management positions was not only maintained but slightly increased, the ratio of CSM new business to cancellations in the life/health business improved significantly compared to the previous year, and the planned strengthening of the financing structure was successfully implemented to the extent intended.

The full achievement of these targets underscores the consistent implementation of the strategic corporate development and forms an essential basis for sustainable value creation.

This resulted in the following variable remuneration for the individual members of the Managing Board:

	2024 ²⁾				2023			
	Entitlement from previous years (carried forward)	Payment in 2024	Earned entitlement for 2024	Amount owed	Entitlement from previous years (carried forward)	Payment in 2024	Earned entitlement for 2024	Amount owed
LÖGER	992	536	778	1 234	622	326	696	992
HÖFINGER	815	462	554	907	684	377	508	815
HIRNER	742	418	475	799	684	377	435	742
LAHNER	692	388	415	719	630	323	385	692
LEHEL	742	418	368	692	630	323	435	742
RIENER	726	409	368	686	630	323	419	726
RATH ¹⁾	-	-	98	98	-	-	-	-
STADLER	siehe previous members of the MB				1 252	681	409	980
THIRRING					684	377	218	525
TOTAL	4 710	2 631	3 057	5 136	5 818	3 107	3 503	6 215

¹⁾ appointed as a deputy member of the Managing Board with effect from 1 September 2024

²⁾ The entitlement from previous years consists of outstanding deferred sustainability parts from the years 2020 to 2022 and the entitlement for 2023.

The amount owed is the entitlement from previous years less payment in 2024 plus the entitlement for 2024.

2.2.3 REMUNERATION GRANTED BY SUBSIDIARIES

In the reporting year, members of the Managing Board received remuneration from subsidiaries of tEUR 812 in total.

	2024	2023
LÖGER	196	175
HÖFINGER	153	145
HIRNER	51	39
LAHNER	135	129
LEHEL	106	93
RIENER	169	132
RATH ¹⁾	3	-
STADLER	-	177
THIRRING	-	105
TOTAL	812	995

¹⁾ appointed as a deputy member of the Managing Board with effect from 1 September 2024

This is remuneration paid for supervisory board mandates in subsidiaries. The remuneration of tEUR 106 paid to Mr. Lehel in 2024 includes tEUR 25 for his work as a legal representative of a subsidiary.

2.2.4 ANCILLARY BENEFITS WHICH ARE NOT SUCCESS-BASED

Company car

Subject to the respective member of the Managing Board having the required driving licence, he or she may be entitled to use a company car. In this case, private use is permitted subject to a deductible. A driver may be provided for business travel.

Insurance coverage

In the reporting year, the main shareholder of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Wiener Städtische Wechselseitige Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group, provides D&O and casualty insurance (including life insurance) to the top management level of VIIG Group. Furthermore, members of the Managing Board are included in a travel health (Group) insurance for business travel (like employees).

Facilities of the Company, own insurance contracts

In general, members of the Managing Board are permitted to use all facilities provided by the Company to its employees at the respective place of business subject to the same or adequately equivalent conditions as applicable to employees.

Social security contributions

The Company reimburses the part of the social security contributions assumed by the employer in the case of an employment relationship (see section 51 para 5 (Austrian) General Social Security Act (*ASVG*), which provides for the assumption of 50% of the owed amount).

The Company spent tEUR 146 in total on ancillary benefits for the Managing Board which are not success-based.

2.2.5 OVERVIEW OF THE AGGREGATE REMUNERATION FOR ACTIVE MEMBERS OF THE MANAGING BOARD

The total remuneration paid to active Managing Board members since 2020 is shown in the following table:

		ACTIVE MEMBERS OF THE MANAGING BOARD				
		2024	2023	2022	2021	2020
Fixed remuneration		4 174	4 421	4 806	4 686	4 353
Variable remuneration	Entitlement from previous years	4 710	5 818	5 723	4 575	3 608
	Payment in the reporting year	2 631	3 107	3 143	2 558	1 927
	Entitlement for the reporting year	3 057	3 503	3 238	3 706	3 417
	Amount owed	5 136	6 215	5 818	5 723	5 098
Remuneration granted by subsidiaries		812	995	978	774	719
Ancillary benefits which are not success-based		146	162	180	178	163
Members of the Managing Board (average number)		6,3	7	8	8	7,5

2.2.6 REMUNERATION FOR PREVIOUS MEMBERS OF THE MANAGING BOARD

The following table details payments to previous members of the Managing Board:

	2024					2023				
	Variable remuneration			Company pension	Other remuneration	Variable remuneration			Company pension	Other remuneration
	Entitlement from previous years (carried forward)	Payment in 2024	Amount owed			Entitlement from previous years (carried forward)	Payment in 2023	Amount owed		
GEYER	-	-	-	575	-	-	-	-	556	-
STADLER	980	537	443	301	-	see active members of the MB			71	-
FUCHS	27	27	-	288	-	108	81	27	277	-
THIRRING	525	288	237	158	-	see active members of the MB			37	81
HAVASI	-	-	-	-	-	54	54	-	-	-
TOTAL	1 533	853	680	1 322	-	162	135	27	942	81

The total remuneration paid to previous Managing Board members since 2020 is shown in the following table:

		PREVIOUS MEMBERS OF THE MANAGING BOARD				
		2024	2023	2022	2021	2020
Variable remuneration	Entitlement from previous years	1 533	162	432	969	997
	Payment in the reporting year	853	135	269	537	551
	Amount owed	680	27	162	432	446
Company pension		1 322	942	805	793	594
Other remuneration		-	81	-	-	4

3. Remuneration report relating to members of the Supervisory Board

3.1 GENERAL

The remuneration should be proportional to the tasks and services of the members of the Supervisory Board, the success of the Company, and the customary remuneration. It should also ensure that the Supervisory Board members act in line with the objective of sustainable business development.

- The financial terms and other benefits offered to a member of the Supervisory Board must be sufficiently attractive to identify and retain suitable individuals who are willing and/or capable to perform the tasks and responsibilities in connection with their function.
- Furthermore, these terms and other benefits must also be sufficiently attractive to ensure a diverse selection process for candidates for the Supervisory Board.
- Considering their specific role, the remuneration of the Supervisory Board members will not have a variable component subject to the achievement of predefined targets.

3.2 OVERVIEW OF THE AGGREGATE REMUNERATION

The remuneration of the members of the Supervisory Board is subject to the approval of the Annual General Meeting (section 14 para 1 of the Articles of Association).

3.2.1 FIXED REMUNERATION

Pursuant to the respective resolution of the Annual General Meeting, the members of the Supervisory Board receive a monthly remuneration (the amount of such remuneration depends on whether the member acts as Chairman/Chairwoman, Deputy Chairman/Chairwoman, or a simple member) and are entitled to an attendance fee per meeting (irrespective of the specific function), including for committee meetings.

3.2.2 VARIABLE REMUNERATION

The remuneration does not include a variable remuneration (which would be subject to the achievement of targets) unless the General Meeting passes a resolution to the contrary.

3.2.3 OTHER PARTS OF THE REMUNERATION AND OTHER AGREEMENTS

Members of the Supervisory Board are insured persons within the meaning of the D&O insurance taken out by Wiener Städtische Wechselseitige Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group as part of its Group insurance.

3.2.4 INDIVIDUAL REMUNERATION

In 2024 the members of the Supervisory Board received a total remuneration (including attendance fees) of tEUR 902.

The remuneration paid to Supervisory Board members is shown in the following:

	2024			2023		
	Monthly remuneration	Attendance fee	Aggregate remuneration	Monthly remuneration	Attendance fee	Aggregate remuneration
ERTL	87	20	107	59	25	84
SIMHANDL ¹⁾	41	13	54	-	-	-
LASSHOFER	61	23	85	59	25	84
DOBRINGER	50	20	69	47	20	67
EIFERT ²⁾	20	5	26	47	20	67
GEYER ²⁾	41	13	54	95	25	120
FABISCH ²⁾	20	5	26	47	13	60
KOZMA	50	19	69	47	20	67
KULHANEK ¹⁾	33	7	41	-	-	-
MACHACOVA ¹⁾	33	7	41	-	-	-
MIHOK	50	20	69	47	20	67
SEMMEYROCK-WERZER ²⁾	20	5	26	47	11	58
SLEZAKOVA	50	20	69	47	20	67
SVOOB ¹⁾	33	13	46	-	-	-
THIRRING	50	13	62	24	7	31
TUMPEL-GUGERELL	50	9	59	47	20	67
ÖHLER	-	-	-	24	2	25
TOTAL	690	212	902	639	227	866

¹⁾ elected as members of the Supervisory Board at the AGM on 24 Mai 2024

²⁾ resigned from the Supervisory Board with effect from the end of the Annual General Meeting on 24 May 2024

The total remuneration paid to Supervisory Board members since 2020 is shown in the following table:

	SUPERVISORY BOARD MEMBERS				
	2024	2023	2022	2021	2020
Monthly remuneration	690	639	598	510	411
Attendance fee	212	227	160	185	167
Aggregate remuneration	902	866	758	695	578

4. Other information and explanations

The annual change in the total remuneration of the Managing Board, the business performance of the Company as well as the remuneration of the Company's other employees on a full-time equivalent (FTE) basis is as follows:

In 2024, VIG Group generated premiums in the amount of EUR 15.2 billion (2023: EUR 13,78 billion). The Group profit before taxes was EUR 881,8 million in 2024 (2023: EUR 772.7 million).

Section 1 provides further information about the business performance.

The overall remuneration of the Managing Board was tEUR 7,377 in 2024 compared to tEUR 8,086 in 2023. The average aggregate remuneration of the Managing Board was tEUR 1,165 in 2024 (2023: tEUR 1,155).

The average remuneration of the Company's employees on an FTE basis was tEUR 96 in 2024 (2023: tEUR 95).

Business performance since 2020 is shown in the following table:

	2024	2023	2022	2021	2020
Profit before tax	EUR 882 m	EUR 773 m	EUR 562 m	EUR 511 m	EUR 346 m
Overall gross remuneration of the Managing Board in tEUR	7 377	8 086	8 224	8 570	7 933
Average gross remuneration of the Managing Board in tEUR	1 165	1 155	1 028	1 071	1 058
Average gross remuneration of the Company's employees in tEUR	96	95	86	82	80

Until the 2022 financial year, reporting was carried out in accordance with IFRS 4, from the 2023 financial year onwards in accordance with IFRS 17/9.

The ratio between fixed and variable remuneration of VIG Holding's employees compared to the entire Managing Board was 1:10.5 in 2024. These figures are based on the average remuneration of the Holding's employees on an FTE basis in proportion to the average remuneration of the Managing Board members (not including any specific remuneration). Taking into account any specific remuneration and ancillary benefits which are not success-based, the proportion was 1:12,2 in 2024.

The remuneration policy for members of the Managing Board and Supervisory Board was adopted by the 33rd Annual General Meeting of Vienna Insurance Group AG Wiener Versicherung Gruppe held on 24 May 2024. There were no deviations from the remuneration policy in the reporting year 2024.

The remuneration report for the financial year 2023 was put to the vote in the 33rd Annual General Meeting of Vienna Insurance Group AG Wiener Versicherung Gruppe on 24 May 2024 and adopted with a 99.64 % majority. To reflect the result of the vote, the remuneration report for the financial year 2024 was prepared in a similar manner.