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Erste Group and Vienna Insurance Group agree to extend cooperation agreement

Long-term partnership extended to 2033

Originally concluded in 2008, the cooperation agreement between Erste Group (Erste) and the Vienna Insurance Group (VIG) will be extended to the end of 2033. The corresponding agreement was signed on 17 May 2018. Customers of both companies will obtain increased access to the respective partner's products. As part of a digitalisation initiative, steps will also be taken to make it easier for customers to conclude tailor-made insurance policies more quickly.

Under their strategic partnership, Erste and VIG have been collaborating very successfully since 2008. As part of the extension of the partnership agreement, customers will enjoy easier access to the comprehensive product range and above all the extensive service portfolio. *"This partnership is all about our customers and providing them with the best possible service. They should be able to choose from a full range of financial services, both in our branches and online. We are also focusing on developing models for insurance products that are as flexible as possible and can be easily and conveniently adapted to the customer's personal situation,"* commented Erste Group managing board member Peter Bosek, outlining the partnership's advantages for customers.

The Vienna Insurance Group has mainly identified potential for expanding the health and non-life insurance businesses through Erste Group. *"Broadening our focus outside the currently dominant life insurance sector and moving in the direction of all-round coverage, including health and non-life insurance, is our goal. We aim to achieve customer satisfaction by providing high-quality services and responding quickly to customers' requests. This is connected with offering clearly designed products and integrating them into Erste Group's digitalisation campaign. Our partner Erste has set up the biggest pan-European banking platform on the market, which has been extremely well received by customers,"* said Elisabeth Stadler, CEO of the Vienna Insurance Group, looking ahead to the next steps in the partnership. Erste already offers insurance products in Austria via its George platform. The partners have also agreed to set up a shared digital hub, with the Czech Republic chosen as the location.

VIG's Group companies currently cooperate with Erste Group und Sparkassen in ten countries: Austria, Bosnia and Herzegovina, Croatia, the Czech Republic, Hungary, Macedonia, Montenegro, Romania, Serbia and Slovakia. *"Our partnership is based on shared emotional foundations. Both companies were set up in the 19th century with the basic aim of providing financial services for all. We have very similar views of how we operate in our Central and East European markets, and this is why our partnership has been so successful,"* explained Peter Bosek.

To date, VIG has cooperated with Erste Group through the former's bancassurance companies in six countries (Austria, Croatia, the Czech Republic, Hungary, Romania and Slovakia). In 2017, total premium income in these countries amounted to around EUR 1.3bn. *"The decision to extend our cooperation agreement not only highlights our successful partnership; it also gives us a sense of security and increased planning certainty for the next stage in our development. The initial product-related measures implemented at selected banks during the pilot phase in 2017 led to a satisfying increase in the number of contracts concluded,"* Elisabeth Stadler added, underlining the bright future that lies ahead for VIG and Erste Group.

Vienna Insurance Group (VIG) is the leading insurance specialist in Austria as well as in Central and Eastern Europe. About 50 companies in 25 countries form a Group with a long-standing tradition, strong brands and close customer relations. VIG has close to 200 years of experience in the insurance business. With more than 25,000 employees, Vienna Insurance Group is the clear market leader in its Austrian and CEE markets. It is therefore excellently positioned to take advantage of the long-term growth opportunities in a region with 180 million people. The listed Vienna Insurance Group is the best-rated company of ATX, the leading index of Vienna Stock Exchange; its share is also listed on the Prague Stock Exchange.

Erste Group is the leading financial services provider in the eastern EU countries. It has around 47,000 employees and more than 2,500 branches serving some 16.5 million customers in seven countries (Austria, Croatia, the Czech Republic, Hungary, Romania, Serbia and Slovakia). In the first quarter of 2018 Erste Group reported total assets of EUR 230bn, net profit of EUR 333m and a Tier 1 capital ratio (CET1, Basel III, current) of 12.6%.

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