SOLVENCY AND FINANCIAL CONDITION REPORT 2023

VIG Holding – Solo Company

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SUMMARY

This is the solvency and financial condition report (SFCR) of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (VIG Holding) for the 2023 financial year. This SFCR has been prepared based on the EU Directive 2009/138/EC and Delegated Regulation (EU) 2015/35.

VIG Holding, together with its individual companies, is the leading insurance group in Austria and the CEE region. Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group (WSTW) is the main shareholder of Vienna Insurance Group AG Wiener Versicherung Gruppe with a share of 70%.

This report on the solvency and financial condition of VIG Holding as a solo company is in accordance with the legal requirements. The regulatory solvency and financial condition report for VIG Insurance Group is available on the VIG Holding website (www.vig.com).

Chapter A presents the business activities and performance of VIG Holding. VIG Holding's main activity is managing its insurance companies. VIG Holding also operates as an insurer and reinsurer, dealing with the international corporate and large customer business and mainly acting as an international reinsurance company for its subsidiaries.

In 2023, VIG Holding generated a premium volume before reinsurance of TEUR 1,669,758 (2022: TEUR 1,499,318). The underwriting result in accordance with UGB/VAG was TEUR 32,298 (2022: TEUR 48,124). The combined ratio is a key figure used in property and casualty insurance and defined as the ratio of administrative expenses and claim payments to net earned premiums. VIG Holding had a ratio of 101.2% in 2023 (2022: 98.7%) net (after deduction of reinsurance portions), which is over 100% due to the combined ratio of the indirect business.

Due to interest rate developments on the capital market, on 21 April 2023 VIG Holding prematurely repurchased a portion of the subordinated bond from 2015, with the repurchase rate amounting to around 46% (EUR 185.6 million) of the original total nominal amount (EUR 400 million). The outstanding volume of the subordinated bond from 2015 in the amount of EUR 214.4 million can be called for the first time in March 2026.

With effect from 9 October 2023, VIG Holding called the outstanding volume of EUR 284.4 million of the subordinated bond from 2013.

The purchase agreement that was concluded on 29 November 2020 for the VIG Group acquisition of the companies of the Dutch company Aegon N.V. in Hungary, Poland, Romania and Türkiye has been successfully closed. The VIG Group finalised the acquisition of the Hungarian Aegon companies in March 2022. Consequently, the Hungarian state holding Corvinus holds a 45% stake in Aegon Hungary. The acquisition of the Turkish AEGON insurance company was closed in April 2022 and the acquisition of the Aegon companies in Poland and Romania was also completed in May 2023.

On 30 November 2023, VIG increased its indirect participation in the Hungarian ALFA insurance company (formerly AEGON) and UNION insurance company from 55% to 90%. The Hungarian government retains its 10% stake in the Hungarian business via the state-owned holding company Corvinus.

In June 2023, the Czech company Global Assistance CZ implemented a pilot project in Croatia and, in collaboration with Frantisek Paum, owner of PAME-AUTO s.r.o., established Global Assistance Croatia, which will offer its customers car assistance services in Croatia, particularly during the summer. This means VIG Insurance Group now has nine assistance companies that provide customer support and service in twelve countries.

Together with energy utility company Wien Energie, the association VIG Energiegemeinschaft was established on 28 November 2023 as an institution for a citizens' energy community. This makes it possible for participating members in Austria to exchange electricity produced by their own photovoltaic systems and wind turbines, thus supporting its members' security of supply and environmental protection. In a later phase, membership will also be open to employees of the VIG Group.

Chapter B contains a description of the governance system of VIG Holding, the core elements of which comprise the Supervisory Board, the Managing Board, the governance and other key functions as well as the risk management system and internal control system (ICS).

After presenting the compensation policy and fit and proper requirements, the risk management system (including the Risk Management function), own risk and solvency assessment (ORSA), internal control system (including the Compliance function), Internal Audit function and Actuarial function are also described. Furthermore, the measures implemented by the company in the area of outsourcing and the critical and important functions and activities that are outsourced are described.

The VIG Holding governance system includes all the processes needed to effectively and efficiently manage and supervise the company and is appropriate with respect to the nature, size and complexity of the company. There were changes in the members of the VIG Holding Supervisory Board in the reporting period. In addition, organisational changes were made in the area of the risk management system as an important part of the governance system during the reporting year.

Chapter C describes the VIG Holding risk profile. As the parent company of the international VIG Insurance Group, its risk profile is dominated by investment and currency risks. These risks are of a strategic nature and are consciously accepted. Due to its activities as an insurer and reinsurer, VIG Holding is also exposed to a minor amount of underwriting risk, which is handled using effective risk management. The table below provides an overview of VIG Holding's material risks based on the partial internal model (PIM), which is also used for risk measurement to determine the regulatory solvency position.

Risks based on the PIM	31 December 2023
Solvency Capital Requirement (SCR)	2,601,759
Market risk	2,534,714
Counterparty default risk	102,229
Life underwriting risk	5,225
Health underwriting risk	26,448
Non-life underwriting risk	281,847
Intangible asset risk	0
Operational risk	51,760

Other risks not included in the solvency calculation are qualitatively assessed as part of the risk management process.

Chapter D describes the valuation of the assets and liabilities for solvency purposes, which is primarily governed by the European Framework Directive (2009/138/EC) and the Delegated Regulation (EU) 2015/35. The underlying principle thereof is the evaluation of the economic situation of an undertaking on the basis of current market prices. For this purpose, an economic balance sheet that shows the balance sheet items according to their market values must be prepared. The material items of the economic balance sheet, the assets and the technical provisions, are presented. The quantitative and qualitative valuation differences between the market valuation and the values presented in the annual financial statements prepared in accordance with UGB/VAG are described.

In **Chapter E**, the economic own funds and the Solvency Capital Requirement (SCR) of VIG Holding are explained. A comparison of the economic own funds and the SCR gives the SCR ratio. In order to ensure that the risks are covered, this ratio must be more than 100%. If it falls short of this threshold, the interests of policy holders are at major risk and regulatory measures will follow.

The economic own funds are derived from the valuation of the balance sheet for solvency purposes and represent the amount available to the company to cover the SCR. VIG Holding had TEUR 10,363,273.30 in total eligible own funds as of 31 December 2023.

The eligible economic own funds are broken down as follows into the individual own funds classes (tiers):

	Eligible own funds to meet the SCR
Tier 1 – unrestricted	9,200,050
Tier 1 – restricted	263,038
Tier 2	900,185
Tier 3	0
Total	10,363,273

The SCR corresponds to the capital required for the company to withstand a one-in-200-years event. To calculate the SCR, VIG Holding uses the standard formula prescribed by the European regulator for most risks.

To calculate the SCR in the areas of non-life and property, a partial internal model is used as it better reflects the specific risk profile in these areas. The Austrian Financial Market Authority (FMA) has reviewed the model and approved its use. VIG Holding had a statutory Solvency Capital Requirement of TEUR 2,601,759 as of the reporting date 31 December 2023.

This results in a solid SCR ratio of around 398.3% for VIG Holding.

Besides the SCR, the company is also required to determine a Minimum Capital Requirement (MCR), which represents the last supervisory threshold intervention before the company's operating licence is withdrawn. According to the statutory requirements, the Minimum Capital Requirement determined for VIG Holding was TEUR 650,440 as of 31 December 2023.

Only basic own funds are used to cover the Minimum Capital Requirement. In addition, the Tier 2 subordinated liabilities exceed the quantitative limit of Tier 2 own funds. This category is therefore limited to 20% of the MCR. The eligible own funds for covering the MCR thus amount to TEUR 9,593,176 and are broken down into the following own funds classes (tiers):

	Eligible own funds to meet the MCR
Tier 1 – unrestricted	9,200,050
Tier 1 – restricted	263,038
Tier 2	130,088
Tier 3	-
Total	**9,593,176**

Overall, VIG Holding is considered to meet the relevant legal requirements and is able to cover the Solvency Capital Requirement and the Minimum Capital Requirement with the respective eligible own funds.

The annex prescribed by law contains an excerpt from the quantitative reporting templates (QRT) that must be submitted to the regulator by insurance companies quarterly and annually. The aim of disclosing these quantitative key figures is to increase transparency.

Pursuant to Article 2 of Implementing Regulation 2015/2452 of the Commission, figures that relate to monetary amounts are shown in thousands of euros (TEUR) in this report. Calculations, however, are done using exact amounts, including digits not shown, which may lead to rounding differences.

DECLARATION BY THE MANAGING BOARD

We confirm to the best of our knowledge that the Solvency and Financial Condition Report of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, which has been prepared in accordance with the provisions of the Austrian Insurance Supervision Act and corresponding directly applicable rules at the European level, gives a true picture of the solvency and financial condition of the company and that it describes the business development, governance system, risk profile and assets, liabilities, and own funds of the solvency balance sheet.

Vienna, 26 March 2024

The Managing Board:

Hartwig Löger
General Manager (CEO),
Chairman of the Managing Board

Peter Höfinger
Deputy General Manager,
Deputy Chairman of the
Managing Board

Liane Hirner
CFRO, Member of the Managing Board

Gerhard Lahner
COO, Member of the Managing Board

Gábor Lehel
CIO, Member of the Managing Board

Harald Riener
Member of the Managing Board

A. Business and performance

This report contains all the information required by law regarding the solvency and financial condition of VIG Holding

VIENNA INSURANCE GROUP AG
Wiener Versicherung Gruppe
Schottenring 30, 1010 Vienna
Commercial register 75687 f, Vienna Commercial Court
Tel: +43 (0) 50 390-22000
www.vig.com

for the 2023 financial year. Important information regarding the solvency and financial condition of VIG Holding is communicated to the public to ensure transparency.

The competent supervisory authority for the company and VIG Insurance Group is the

Austrian Financial Market Authority (FMA)
Otto-Wagner-Platz 5, 1090 Vienna
Tel: +43 (1) 249 59-0
www.fma.gv.at

The audit of the accuracy of this report and the information contained therein was performed by

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
Porzellangasse 51, 1090 Vienna
Tel: +43 (1) 31332-0
www.kpmg.at

A.1 BUSINESS

VIG Insurance Group is an international insurance group headquartered in Vienna. VIG Insurance Group stands for stability and expertise in providing financial protection against risks. The roots of the Group reach back to the year 1824. This 200 years of experience and a focus on the core competence of providing insurance represent a solid and secure foundation for the around 32 million customers of VIG Insurance Group.

Around 300 VIG Holding employees were assisting the Managing Board with managing and steering the participations in insurance companies at the end of 2023. An overview of the affiliated companies and participations of VIG Holding and the direct interest in capital can be found in the annex to this report.

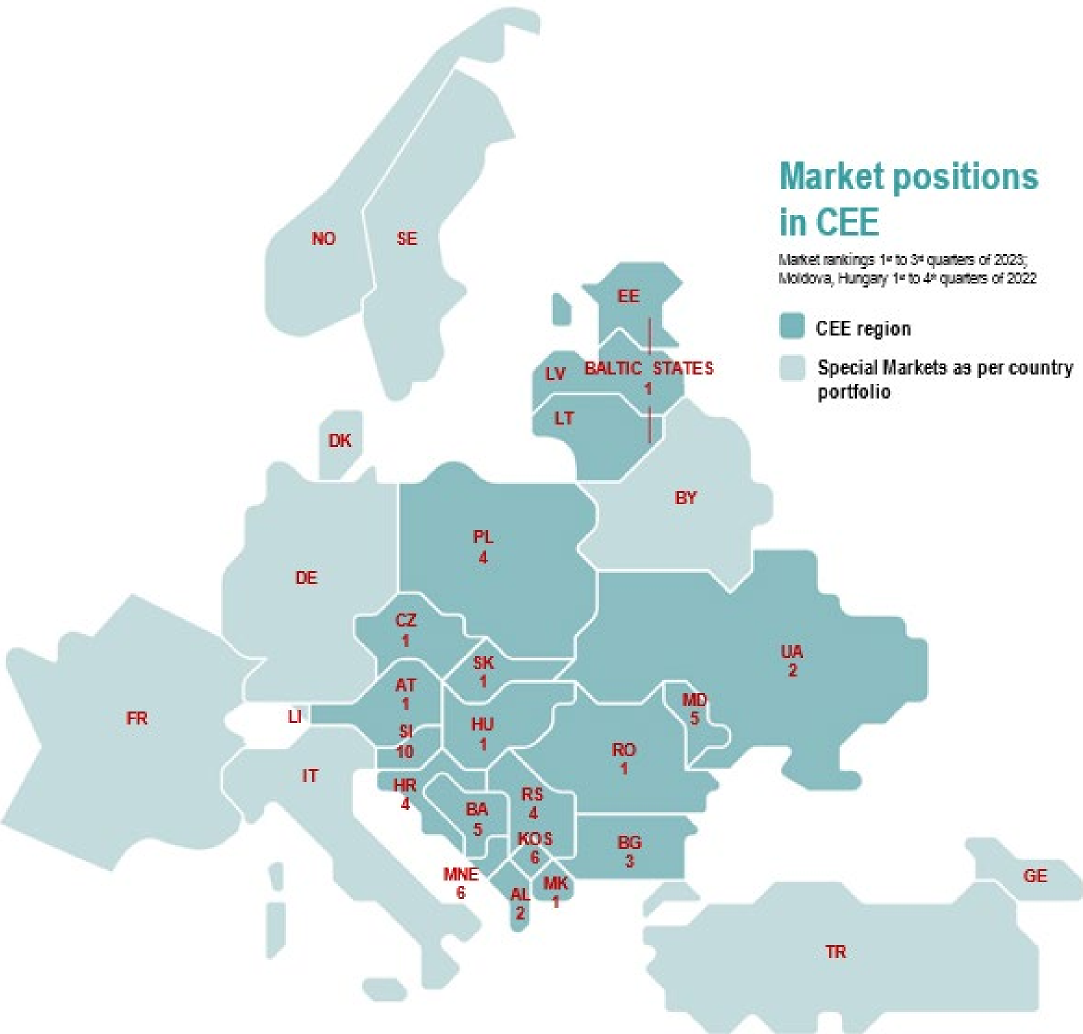
The VIG insurance companies are primarily managed and monitored by their respective Supervisory Boards, in which members of the Managing Board of VIG Holding are always represented. Group-wide guidelines and policies are defined in the management areas of VIG Holding to assist with the management of participations in insurance companies and are also used in VIG Holding as a separate company. The management areas include Planning and Controlling, Opportunity Management, Asset Management (incl. Real Estate), Reinsurance, Compliance incl. AML, Risk Management, Internal Audit, Actuarial Services, VIG IT, Data Analytics, Group Finance & Regulatory Reporting, Process & Project Management and Human Resources.

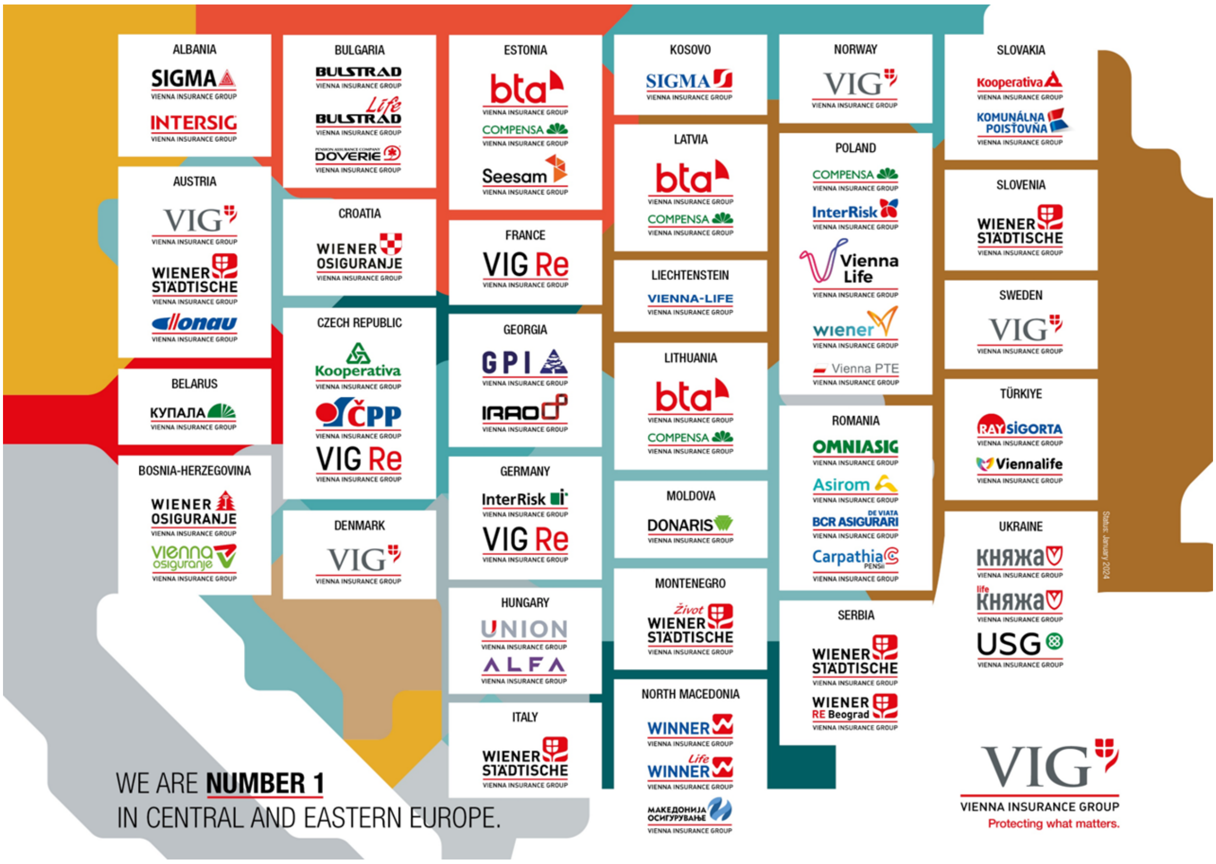
In addition to the responsibility for managing its participations in insurance companies, VIG Holding's area of activities also includes cross-border corporate and international reinsurance business.

In the area of reinsurance, VIG Holding manages and assists its subsidiaries with all the reinsurance matters. Pooling different risks ensures an effective balancing of risks at the VIG Insurance Group level that in turn ensures optimal external reinsurance protection for VIG Insurance Group as a whole. This is intended to provide continuous protection for all of the companies in VIG Insurance Group against the negative effects of large losses and negative changes in the insurance portfolios.

VIG Holding also bundles together and coordinates large customer business that extends outside the borders of Austria. Custom-tailored professional insurance solutions are particularly important for international corporate customers. For this reason, VIG Holding has established a separate insurance platform, Vienna International Underwriters (VIU), especially for business customers. Its extensive network offers professional tailor-made international customer support in this area by experts in Austria and the entire CEE region.

The following charts show a simplified Group structure of the VIG insurance companies.





Ownership structure
The main shareholder of VIG Holding is Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group (a mutual insurance company headquartered at Schottenring 30, 1010 Vienna), which holds around 72% of the shares (directly and indirectly). The remaining shares of approximately 28% are in free float.

SIGNIFICANT BUSINESS EVENTS

CAPITAL MEASURES
Due to interest rate developments on the capital market, on 21 April 2023 VIG Holding prematurely repurchased a portion of the subordinated bond from 2015, with the repurchase rate amounting to around 46% (EUR 185.6 million) of the original total nominal amount (EUR 400 million). The outstanding volume of the subordinated bond from 2015 in the amount of EUR 214.4 million can be called for the first time in March 2026.

With effect from 9 October 2023, VIG Holding called the outstanding volume of EUR 284.4 million of the subordinated bond from 2013.

AEGON CEE
The purchase agreement that was concluded on 29 November 2020 for the VIG Group acquisition of the companies of the Dutch company Aegon N.V. in Hungary, Poland, Romania and Türkiye has been successfully closed. The VIG Group finalised the acquisition of the Hungarian Aegon companies in March 2022. Consequently, the Hungarian state holding Corvinus holds a 45% stake in Aegon Hungary. The acquisition of the Turkish AEGON insurance company was closed in April 2022 and the acquisition of the Aegon companies in Poland and Romania was also completed in May 2023.

On 30 November 2023, VIG increased its indirect participation in the Hungarian ALFA insurance company (formerly AEGON) and UNION insurance company from 55% to 90%. The Hungarian government retains its 10% stake in the Hungarian business via the state-owned holding company Corvinus.

GLOBAL ASSISTANCE CROATIA
In June 2023, the Czech company Global Assistance CZ implemented a pilot project in Croatia and, in collaboration with Frantisek Paum, owner of PAME-AUTO s.r.o., established Global Assistance Croatia, which will offer its customers car

assistance services in Croatia, particularly during the summer. This means VIG Insurance Group now has nine assistance companies that provide customer support and service in twelve countries.

AUSTRIAN ENERGY COMMUNITY

Together with energy utility company Wien Energie, the association VIG Energiegemeinschaft was established on 28 November 2023 as an institution for a citizens' energy community. This makes it possible for participating members in Austria to exchange electricity produced by their own photovoltaic systems and wind turbines, thus supporting its members' security of supply and environmental protection. In a later phase, membership will also be open to employees of the VIG Group.

WAR SITUATION IN UKRAINE

The war between the Russian Federation and Ukraine began on 24 February 2022 when Russian forces invaded Ukraine. Dangers associated with the welfare of employees and the operating business (e.g. office infrastructure, energy, communication, IT security) pose material, direct risks for VIG's Ukrainian insurance companies. A range of risks may materialise for VIG Insurance Group, which will be addressed and handled using a sustained risk management.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No events of special significance that would have changed the presentation of the net assets, financial position and results of operations occurred after the balance sheet date.

A.2 UNDERWRITING PERFORMANCE

VIG Holding generated a total premium volume before reinsurance of TEUR 1,669,758 during the financial year 2023 (2022: TEUR 1,499,318). Premiums written after reinsurance were TEUR 1,520,544 (2022: TEUR 1,356,823) and TEUR 1,456,437 after adjusting for unearned premiums (2022: TEUR 1,305,496).

The predominant share of the premium volume is attributable to indirect business. The result from indirect business was TEUR 43,906 (2022: TEUR 51,883). The net earned premiums of TEUR 1,304,678 (2022: TEUR 1,206,720) from indirect business were included immediately in the income statement. The underwriting result in accordance with UGB/VAG was TEUR 32,298 (2022: TEUR 48,124). The combined ratio is a key figure used in property and casualty insurance and defined as the ratio of administrative expenses and claim payments to net earned premiums. VIG Holding had a ratio of 101.2% in 2023 (2022: 98.7%) net (after deduction of reinsurance portions), which is over 100% due to the combined ratio of the indirect business.

The following tables show the main results after reinsurance (excluding investment income) by line of business for non-life insurance as well as the premiums and expenses for the most important countries. Healthcare expense policies from accepted reinsurance business were shown under non-life insurance during the financial year.

Premiums and expenses for non-life insurance	Premiums written	Net earned premiums	Expenses for claims and insurance benefits*	Other costs
Medical expense insurance	25,016 (21,484)	25,659 (19,147)	20,117 (16,896)	6,913 (5,381)
Income protection insurance	347,493 (331,748)	344,330 (332,278)	157,902 (145,088)	221,742 (201,332)
Motor third party liability insurance	969,798 (869,351)	923,580 (829,308)	684,282 (568,788)	342,876 (319,054)
Other motor insurance	0 (0)	0 (0)	0 (3)	0 (4)
Marine, aviation and transport insurance	2,388 (4,004)	2,470 (3,642)	1,896 (1,446)	698 (1,425)
Fire and other property lines of business	174,321 (112,192)	158,726 (103,347)	139,245 (89,377)	34,668 (20,331)
General third party liability insurance	1,425 (1,870)	1,568 (1,601)	470 (338)	-1 (200)
Total	**1,520,441** **(1,340,649)**	**1,456,334** **(1,289,321)**	**1,003,912** **(821,931)**	**606,895** **(547,726)**

* Excluding cost items

Figures from the previous year (31/12/2022) in brackets ()

Premiums and expenses for non-life insurance by significant country	Austria	Czech Republic	Germany	Poland	Romania	Slovakia
Premiums written	330,566 (332,854)	356,193 (312,146)	153,926 (87,086)	198,930 (198,790)	137,599 (104,954)	92,378 (85,335)
Net earned premiums	330,219 (332,552)	352,454 (300,365)	151,630 (85,664)	194,673 (195,370)	103,263 (96,912)	86,463 (83,752)
Expenses for claims and insurance benefits*	222,614 (224,220)	194,949 (134,068)	116,508 (98,039)	142,988 (124,486)	81,642 (79,392)	65,660 (53,368)

Figures from the previous year (31/12/2022) in brackets ()

A detailed review of the underwriting performance is presented in the attachment QRT S 05.01.02.

In addition to assumed property and casualty insurance, the indirect business has also included health and life insurance business since financial year 2021.

The following tables show the values after reinsurance for the most important life and health insurance lines of business as well as the premiums and expenses for the most important countries:

Premiums and expenses for life and health insurance	Premiums written	Net earned premiums	Expenses for claims and insurance benefits*	Other costs
Health insurance	0 (0)	0 (0)	0 (0)	0 (0)
Insurance with profit participation	0 (0)	0 (0)	0 (0)	0 (0)
Index-linked and unit-linked insurance	0 (0)	0 (0)	0 (0)	0 (0)
Other life insurance	0 (0)	0 (0)	0 (0)	0 (0)
Health indirect business	0 (0)	0 (0)	0 (0)	0 (0)
Life indirect business	103 (16,174)	103 (16,174)	15,526 (3,239)	247 (327)
Total	103 (16,174)	103 (16,174)	15,526 (3,239)	247 (327)

* Excluding cost items

Figures from the previous year (31/12/2022) in brackets ()

Premiums and expenses for life insurance by significant country	Austria	Liechtenstein	Romania
Premiums written	0 (0)	94 (0)	9 (16,174)
Net earned premiums	0 (0)	94 (0)	9 (16,174)
Expenses for claims and insurance benefits*	0 (0)	0 (0)	2,474 (-430)

Figures from the previous year (31/12/2022) in brackets ()

TEUR 103 in premiums were written for life insurance (2022: TEUR 16,174). The decline was due to the expiry of a reinsurance contract.

A.3 INVESTMENT PERFORMANCE

VIG Holding takes into account the overall risk position of the company when making investments in fixed-interest securities, real estate, participations, loans and shares. When determining the volumes and limiting the open transactions, the risks associated with investments have to be taken into consideration.

In 2023, VIG Holding recorded the investment income and expenses as shown in the following table.

Investment performance	Dividends	Interest	Rent	Net profit and loss	Unrealised gains and losses
Investments	413,902 (411,036)	65,331 (33,490)	13,314 (13,729)	-3,571 (-26,754)	25,374 (-104,889)
Property	0 (0)	0 (0)	13,314 (13,729)	80 (955)	-5,254 (43,198)
Equities	413,817 (411,014)	0 (0)	0 (0)	0 (0)	0 (0)
Government bonds	0 (0)	1,824 (1,538)	0 (0)	-1,040 (0)	3,297 (-17,950)
Corporate bonds	0 (0)	24,331 (23,478)	0 (0)	5,147 (-160)	19,978 (-126,260)
Loans and mortgages	0 (0)	9,311 (5,055)	0 (0)	13 (-531)	6,706 (-2,265)
Structured notes	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Collective investments undertakings	85 (21)	0 (0)	0 (0)	-2 (-15,957)	-37 (73)
Derivatives	0 (0)	0 (0)	0 (0)	-7,768 (-11,062)	685 (-1,685)
Cash and cash equivalents	0 (0)	29,865 (3,418)	0 (0)	0 (0)	0 (0)

The figures in the tables above are based on valuations performed in accordance with Solvency II, which differ from the results under UGB due to market values being used for realised profits and losses. Local accounting rules, on the other hand, require book values to be used to calculate realised profits and losses.

There were TEUR 164,405 in write-downs of shares in affiliated companies under UGB/VAG during the financial year (2022: TEUR 212,885).

The interest income from deposits corresponding to indirect business was transferred to the underwriting account.

There are no securitisation exposures within the VIG Holding portfolio.

Since the UGB balance sheet does not include any gains or losses directly recognised in equity, no disclosure can be provided in this respect.

A.4 PERFORMANCE OF OTHER ACTIVITIES

There was no significant other income or expenses in the financial year 2023.

The following disclosures are provided for off-balance sheet contingent liabilities: There are letters of comfort and declarations of liability totalling TEUR 409,767 (2022: TEUR 470,419).

In 2022, VIG Holding gave a commitment to the subsidiary VIG Re to provide capital to increase its ancillary own funds by TEUR 22,000. The capital is available for drawing until 31/12/2029 at the latest.

VIG Holding gave another commitment to its largest subsidiary WIENER STÄDTISCHE Versicherung AG, Vienna Insurance Group in 2019 to provide capital to increase its ancillary own funds by TEUR 350,000, which can be drawn down if necessary by 31/12/2029 at the latest.

In 2023, VIG Holding gave a commitment to the subsidiary BTA to provide capital to increase its ancillary own funds by TEUR 2,000. The capital is available for drawing until 06/04/2033 at the latest.

In 2023, VIG Holding also gave a commitment to the subsidiary Vienna-Life Liechtenstein to provide capital to increase its ancillary own funds by TEUR 10,000. The capital is available for drawing until 31/12/2033 at the latest.

A put option was included in ATBIH's sale of Doverie shares to IFC (transfer of the shares took place on 29/12/2022) under which both ATBIH and VIG give IFC the right to sell back the shares held during the period from the 6th anniversary of the transfer (29/12/2028) to the 10th anniversary. The fair value of the contingent liability arising from this option is TEUR 25,767.

VIG Holding has no significant lease agreements.

A.5 ANY OTHER INFORMATION

There is no other significant information on business activities and performance to be reported in the year under review.

B. System of governance

Governance refers to all the processes related to the management as well as to the effective and efficient monitoring of the company. The governance system considers not only the internal organisation, structure and mechanisms within the company, but also its legal and factual integration into the external (market) environment.

The VIG Holding Managing Board is responsible for the compliance with the requirements applicable to VIG Holding and with the recognised principles of proper business operation.

VIG Holding has set up an efficient governance system tailored to the company's needs and requirements, enabling a sound and prudent management. In addition to the establishment of the governance and other key functions, all other relevant processes have also been set up to identify, measure, monitor, manage and report risks, taking their interdependencies into account.

The internal processes ensure that the analyses of the governance and other key functions and all results of the risk management processes are appropriately taken into account during the course of business activities.

The governance system has the following features:

- Functional management of the company by the Managing Board
- Regular monitoring by the Supervisory Board
- Targeted management decisions towards long-term value creation
- Goal oriented collaboration ensuring the company's management and monitoring
- Appropriate handling and management of risks by Risk Management and at the operational level in the individual organisational units
- Transparency in corporate communications and efficient reporting
- Safeguarding of the policy holders', shareholders' and employees' interests

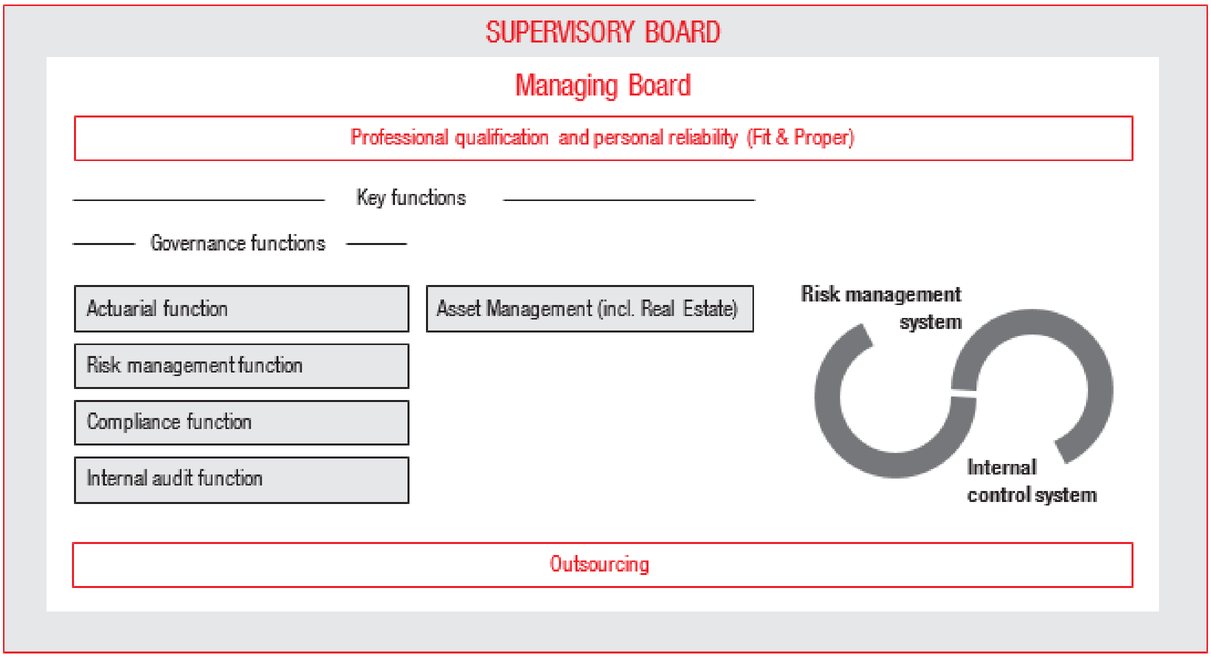
Organisational changes were made in the area of the risk management system as an important part of the governance system during the reporting year. To increase the strength and efficiency of risk management, the Enterprise Risk Management and Asset Risk Management departments were combined to form a single Risk Management department from 1 July 2023.

B.1 GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

The governance system covers all areas and decision-making bodies involved in the risk management processes. It includes the following elements:

- Key and governance functions (section B.1 and sections B.3 to B.6)
- Fit and proper requirements for management (section B.2)
- Risk management system (section B.3)
- Internal control system (section B.4)
- Provisions on the outsourcing of functions or activities (section B.7)

Besides the elements mentioned, the following sections also explain the main duties and responsibilities of the Supervisory Board and Managing Board, which are also elements of the governance system, the information and reporting channels and the compensation policy and practices, and assess the adequacy of the governance system.



SUPERVISORY BOARD AND MANAGING BOARD

The Supervisory Board is the controlling body, whilst the Managing Board is the management body of the company.

Supervisory Board

The Supervisory Board and its committees, Chair and Deputy Chairs periodically and repeatedly monitored in detail the management of the company and the activities of the Managing Board in connection with its management duties. Extensive presentations and discussions during Supervisory Board meetings and committee meetings were used for this purpose, and, in some cases, in-depth discussions took place with the members of the Managing Board, who provided detailed explanations and supporting documentation relating to the management and financial condition of VIG Holding and VIG Insurance Group.

Among other things, the strategy, business development (overall and in individual regions), risk management, internal control system, internal audit, Compliance function and Actuarial function activities and reinsurance and investment topics, as well as other important topics for VIG Holding and VIG Insurance Group were discussed during these meetings.

The VIG Holding Supervisory Board consists of twelve people and had the following members as of 31 December 2023:

Name	Function	Date first appointed	End of current term of office
Günter Geyer	Chairman	2014	2024
Rudolf Ertl	1st Deputy Chairman	2014	2024
Robert Lasshofer	2nd Deputy Chairman	2021	2024
Martina Dobringer	Member	2011	2024
Zsuzsanna Eifert	Member	2021	2024
Gerhard Fabisch	Member	2017	2024
András Kozma	Member	2022	2024
Peter Mihók	Member	2019	2024
Gabriele Semmelrock-Werzer	Member	2017	2024
Katarína Slezáková	Member	2020	2024
Peter Thierring	Member	2023	2028
Gertrude Tumpel-Gugerell	Member	2012	2024

CHANGES DURING AND AFTER THE END OF THE FINANCIAL YEAR

Heinz Öhler resigned from the Supervisory Board effective 30 June 2023. Peter Thirring, who resigned from the Managing Board of VIG Holding effective 30 June 2023, was elected as a new member of the Supervisory Board in the Annual General Meeting of 26 May 2023 with effect from 1 July 2023. Günter Geyer announced that he will no longer serve as Chairman of the Supervisory Board of VIG Holding after the end of his current term of office. His term of office will end on 24 May 2024 at the Annual General Meeting that will adopt resolutions on the subject of the 2023 financial year.

SUPERVISORY BOARD COMMITTEES

The Supervisory Board has set up five committees from among its members in order to best meet its obligations in accordance with statutory provisions and the VIG Holding articles of association:

- Committee for Urgent Matters (Working Committee)
- Audit Committee (Accounts Committee)
- Committee for Managing Board Matters (Personnel Committee)
- Strategy Committee
- Nomination Committee

Committee for Urgent Matters (Working Committee)

The Committee for Urgent Matters (Working Committee) decides on matters that require an approval of the Supervisory Board, but cannot be deferred to the next ordinary Supervisory Board meeting because of particular urgency.

Members	Substitute
Günter Geyer (Chairman)	Gertrude Tumpel-Gugerell
Rudolf Ertl	Martina Dobringer
Robert Lasshofer	Gerhard Fabisch

Audit Committee (Accounts Committee)

The Audit Committee (Accounts Committee) performs the duties assigned to it by law and is responsible in particular for the duties assigned by § 92 (4a) no. 4 of the Austrian Stock Corporation Act (AktG), § 123 (9) of the Austrian Insurance Supervision Act (VAG) and Regulation (EU) No. 537/2014.

Members of the Audit Committee are experienced financial experts with knowledge and practical experience in finance, accounting and reporting that satisfy the requirements of the company.

The Audit Committee (Accounts Committee) has the following members:

- Gertrude Tumpel-Gugerell (Chairwoman)
- Martina Dobringer (Deputy Chairwoman)
- Zsuzsanna Eifert
- Rudolf Ertl
- Günter Geyer
- András Kozma
- Robert Lasshofer
- Peter Mihók
- Katarína Slezáková

If one of the members is unable to attend, this meeting will be additionally attended by Ms Semmelrock-Werzer. If Gertrude Tumpel-Gugerell is unable to attend, the meeting will be chaired by Martina Dobringer.

Committee for Managing Board Matters (Personnel Committee)

The Committee for Managing Board Matters (Personnel Committee) deals with personnel matters of the Managing Board. The Committee for Managing Board Matters therefore decides on employment contract terms with members of the Managing Board and their remuneration and examines remuneration policies at regular intervals.

The Committee for Managing Board Matters (Personnel Committee) has the following members:

- Günter Geyer (Chairman)
- Rudolf Ertl
- Robert Lasshofer

Strategy Committee
The Strategy Committee cooperates with the Managing Board and, when appropriate, with experts whom it consults to prepare fundamental decisions that must then be decided on by the Supervisory Board as a whole.

The Strategy Committee has the following members:

Members	Substitute
Günter Geyer (Chairman)	Gertrude Tumpel-Gugerell
Zsuzsanna Eifert	Gabriele Semmelrock-Werzer
Rudolf Ertl	Martina Dobringer
András Kozma	Gerhard Fabisch
Robert Lasshofer	Katarína Slezáková
Peter Mihók	

Nomination Committee
The Nomination Committee submits proposals to the Supervisory Board for filling positions that become available on the Managing Board and handles the successor planning issues.

The Nomination Committee has the following members:

- Günter Geyer (Chairman)
- Martina Dobringer
- Rudolf Ertl
- Robert Lasshofer
- Substitute in the event that a member is unable to attend: Gertrude Tumpel-Gugerell

Managing Board
The Managing Board manages the business of the company under the leadership of its Chairperson and within the constraints of the law, articles of association, procedural rules of the Managing Board and procedural rules of the Supervisory Board. The Managing Board meets regularly and when needed (generally every two weeks) to discuss current business developments, and makes the necessary decisions and passes the required resolutions during the course of these meetings. The members of the Managing Board continuously exchange information with each other and with the heads of various areas.

The Managing Board of VIG Holding had the following six members as of 31 December 2023:

- Hartwig Löger (General Manager – CEO – Managing Board Chairman)
- Peter Höfinger (Deputy General Manager, Deputy Managing Board Chairman)
- Liane Hirner (CFRO)
- Gerhard Lahner (COO)
- Gábor Lehel (CIO)
- Harald Riener

CHANGES DURING AND AFTER THE END OF THE FINANCIAL YEAR:
Elisabeth Stadler served as Chairwoman of the Managing Board of VIG Holding in the 2023 financial year from 1 January 2023 to 30 June 2023. She resigned from the Managing Board after the end of her term of office effective 30 June 2023. Hartwig Löger succeeded Elisabeth Stadler as Chairman of the Managing Board of VIG Holding effective 1 July 2023. Peter Höfinger was named Deputy Managing Board Chairman. Peter Thirring served as member of the Managing Board of VIG Holding in the 2023 financial year from 1 January 2023 to 30 June 2023. He resigned from the Managing Board after the end of his term of office on 30 June 2023. Mr Thirring has been a member of the Supervisory Board of VIG Holding since 1 July 2023. Christoph Rath (year of birth: 1976) has been appointed as substitute member of the Managing Board of VIG Holding with effect from 1 September 2024 (his term of office ends on 30 June 2027).

Further information on the members of the Managing Board (as of 1 January 2024), including their employment history, is presented below:

Hartwig Löger
General Manager, Chairman of the Managing Board, born in 1965

Hartwig Löger began his career in the insurance industry in the brokerage business in 1985. After completing his studies in insurance management at the Vienna University of Economics and Business, he joined Allianz as sales manager in Styria in 1989. From 1997 to 2002, he was head of sales at DONAU Versicherung. This was followed by a number of senior management positions in the UNIQA Group, most recently as CEO of UNIQA Österreich AG until the end of November 2017. Hartwig Löger was the Minister of Finance for Austria from December 2017 to June 2019. He worked for VIG Insurance Group under an advisory agreement with Wiener Städtische Versicherungsverein, the principal shareholder of VIG Holding, from July 2019 to December 2020.

Areas of responsibility: CEO of VIG Group, Strategy, General Secretariat & Legal, Opportunity Management, Human Resources, Subsidiaries and M&A, CO^3, European Affairs, Sponsoring

Country responsibilities: Austria, Slovakia, Czech Republic, Hungary

Peter Höfinger
Deputy General Manager, Deputy Chairman of the Managing Board, born in 1971

Peter Höfinger studied law at the University of Vienna and University of Louvain-la-Neuve (Belgium). Peter Höfinger has been a member of the VIG Holding Managing Board since 1 January 2009. Prior to that, he was a director of the Managing Board at DONAU Versicherung, responsible for sales and marketing. He joined this company in 2003. Previously, he held positions as managing board chairman and managing board member outside the Group in Hungary, the Czech Republic and Poland.

Areas of responsibility: Corporate Business, Reinsurance

Country responsibilities: Albania, Bosnia-Herzegovina, Bulgaria, Kosovo, Croatia, Moldova, Montenegro, North Macedonia, Romania, Serbia

Liane Hirner
Member of the Managing Board, CFRO, born in 1968

Liane Hirner studied business administration in Graz. Before joining VIG Insurance Group, she worked at PwC Austria's audit department where she started in 1993, and when she left, Liane Hirner was partner in the insurance area. In addition to her work as an auditor, Liane Hirner has also been involved in many professional associations, such as the IFRS Working Group of the Austrian Insurance Association and the Insurance Working Party of Accountancy Europe in Brussels. Liane Hirner was appointed to the VIG Holding Managing Board on 1 February 2018. She took over the CFO position on 1 July 2018 and, on 1 January 2020, the position of Chief Risk Officer. In 2019, EIOPA appointed Liane Hirner as a new member of the Insurance & Reinsurance Stakeholder Group (IRSG).

Areas of responsibility: Group Finance & Regulatory Reporting, Risk Management, Planning & Controlling, Tax Reporting & Transfer Pricing

Country responsibilities: Liechtenstein, Germany

Supervisory board positions or comparable positions in other Austrian and foreign companies outside the Group: Autoneum Holding AG – Winterthur, Switzerland

Gerhard Lahner
Member of the Managing Board, COO, born in 1977

Gerhard Lahner studied business administration at the Vienna University of Economics and Business and has held a variety of positions for VIG Insurance Group since 2002. He was a member of the Managing Boards of Austrian insurance companies DONAU Versicherung and Wiener Städtische and Czech companies Kooperativa and ČPP. Gerhard Lahner was also a substitute member of the VIG Holding Managing Board from 1 January 2019 to 31 December 2019.

Areas of responsibility: Asset Management (incl. Real Estate), Data Analytics, Group Treasury & Capital Management, Process & Project Management, VIG IT

Country responsibilities: Georgia, Türkiye

Supervisory board positions or comparable positions in other Austrian and foreign companies outside the Group: Wien 3420 Aspern Development AG, Wiener Börse AG, Aktienforum

Gábor Lehel
Member of the Managing Board, CIO, born in 1977

Gábor Lehel studied business administration with a major in finance in Tatabánya and Budapest (Hungary). He joined VIG Insurance Group in 2003, where he worked in Controlling and as head of the General Secretariat before being appointed to the Managing Board of the Hungarian insurance company UNION Biztosító in 2008. He was General Manager of UNION Biztosító from mid-2011 to 31 December 2019. From 1 January 2016 to 31 December 2019, he was also a substitute member of the Managing Board of VIG Holding.

Areas of responsibility: Assistance, New Businesses, Transformation & Research

Country responsibilities: Belarus

Supervisory board positions or comparable positions in other Austrian and foreign companies outside the Group: Global Assistance Georgia LLC

Harald Riener
Member of the Managing Board, born in 1969

Harald Riener studied commerce at the Vienna University of Economics and Business and joined VIG Insurance Group in 1998, where he worked in the marketing area for DONAU Versicherung and Wiener Städtische until 2001. After working for a media publishing company, he returned in 2006 as Marketing Manager of VIG Holding. He became a member of the Managing Board in Croatia in 2010, and was appointed CEO in 2012. From 2014 to 2019, Harald Riener was a member of the Managing Board of DONAU Versicherung where he was responsible for distribution and marketing.

Areas of responsibility: Retail Insurance & Business Support, Customer Experience

Country responsibilities: Estonia, Latvia, Lithuania, Poland, Ukraine

Supervisory board positions or comparable positions in other Austrian and foreign companies outside the Group: VIG/C-QUADRAT

The **Managing Board as a whole** is responsible for the compliance agendas (incl. AML), Internal Audit, Investor Relations and Actuarial Services.

COMMITTEES

For the reporting year, the Managing Board has set up the following committees for central coordination and effective management of VIG Insurance Group and VIG Holding that help it to best meet its obligations in accordance with the statutory provisions and the VIG Holding articles of association:

- Risk Committee
- Reinsurance Security Committee
- Asset Management meeting/workshop
- Tactical Investment Committee
- Investment meeting
- Liquidity Committee
- Asset-Liability Management Committee
- Compliance Committee
- Sustainability Committee

Risk Committee

The Risk Committee was established by the VIG Holding Managing Board to perform regular cross-functional evaluations of the current risk management topics in the organisation specific to the Group and VIG Holding and support the Managing Board in assessing the risk situation.

The members of the committee are designated by the Managing Board and comprise, at minimum, the key functions in VIG Holding.

Other experts can be invited to the meetings if necessary. The Risk Committee meetings take place at least quarterly and are chaired by the Managing Board member with responsibility for the area. The Risk Management (RM) department organises the meetings and prepares the minutes.

Reinsurance Security Committee

The Reinsurance Security Committee deals with the creditworthiness of reinsurance companies and helps to ensure that a sufficient degree of diversification is available among the selected reinsurers and that the default risk within the reinsurance business remains within acceptable limits.

The Reinsurance Security Committee creates and adapts a quarterly list ("security list") of reinsurers acceptable to the Group. This list is included in the VIG Group Reinsurance Security Information Guideline, which the VIG Managing Board sends to the members of the Managing Boards of the different VIG Group companies responsible for reinsurance. The security list specifies the maximum reinsurance cessions to specific reinsurers (please note: cessions to reinsurers on the security list are subject to the limits set down in the "Cessions Limitation Table", which is included in the guideline above).

In the following two cases, administrators must obtain an approval from the Reinsurance Security Committee prior to the start of the policy term:

- If the business (whether facultative or obligatory) is to be ceded to reinsurers who are not on the VIG security list, an individual review of the reinsurer and, if necessary, approval from the Reinsurance Security Committee is required.
- If the volume of the planned reinsurance cession to a reinsurer on the security list exceeds the limits stated in the "Cessions Limitations Table", an individual decision on approval must be made by the Reinsurance Security Committee.

The Reinsurance Security Committee consists of selected, professionally qualified employees from the reinsurance and functional areas of a number of VIG insurance companies. The Reinsurance Security Committee rules are set down in the VIG Group Security Rulebook Guideline for SC members.

Asset Management meeting/workshop

This is a platform designed to deal with current investment topics. These meetings are generally scheduled one to two times each calendar year. Additional meetings can also be organised if needed. The choice of participants depends on the topic chosen and the companies affected by the topic. Topics can be proposed by all Group companies or are specified by VIG Asset Management in consultation with the member of the VIG Managing Board responsible for the area. External experts can also be consulted for special topics. Asset management meetings address topics that have more of a general or strategic character. Asset management workshops address operational topics concerning investment.

Tactical Investment Committee
The Tactical Investment Committee (TIC) deals with the structure of investments and the risk and earnings situation for the investments of the Austrian insurance companies. The TIC deals with issues relating to short-term liquidity requirements, providing advice and making decisions in this context. The TIC is firmly anchored in the companies' decision-making and information process.

The members of the TIC are:

- the Managing Board members responsible for asset management
- the Asset Management department
- the Risk Management department and
- the Accounting department

of the Austrian insurance companies.

The committee, which usually meets on a weekly basis, can react promptly to the respective risk situation.

Investment meeting
Investment meetings deal with the structure of investments, the risk-return situation and the current and expected market environment of the VIG insurance companies outside Austria. Asset Management conducts these meetings for each country with all of the insurance companies concerned. The frequency is based on the volume and level of complexity of the respective investments and can also be organised on short notice if necessary.

In addition to Asset Management, the participants include the Managing Board members responsible for local asset management and the departments responsible for operational asset management, risk management and accounting.

Liquidity Committee & Asset-Liability Management Committee
The meetings of the VIG Holding Liquidity Committee take place monthly, and are prepared and coordinated by the Group Treasury & Capital Management department. Besides the Managing Board member responsible for the area, permanent members are Asset Management (incl. Real Estate), Subsidiaries and M&A, Risk Management, Planning and Controlling as well as representatives from the local Finance and Accounting departments.

In addition to the current liquidity situation, the Liquidity Committee mainly discusses plan/actual deviations and short, medium and long-term liquidity changes. Investing the cash and cash equivalents and potential measures, in particular with respect to investing the liquidity reserve (liquidity buffer) that is held for unplanned events, are discussed and prepared for decision-making. A particular focus is on analysing and providing advice on the current and future liquidity needs of VIG Holding.

The Liquidity Committee meetings address issues surrounding asset-liability management at least twice a year, led by the Risk Management department. In particular, the risk situation and the sensitivities of individual portfolios as well as their cash flows and maturity structures are discussed. The primary focus is on long-term cash flows, in particular from life insurance. The overarching goal is an overall coordinated view of business development.

Compliance Committee
The VIG Holding Compliance Committee was established as an institutionalised work platform for compliance-related matters. Meetings take place four times a year. The committee members are the four VIG Holding governance functions, the heads of selected risk-relevant organisational departments (2023: Asset Management (incl. Real Estate), Corporate Business, Data Analytics, European Affairs, General Secretariat & Legal, Group Finance & Regulatory Reporting, Human Resources, Investor Relations, Process & Project Management, Reinsurance, Subsidiaries and M&A, Tax Reporting & Transfer Pricing, VIG IT) and special officers (2023: AML officer, data protection officer, chief information security officer).

During the Compliance Committee meetings, the committee members report on compliance matters in their areas of responsibility, in particular the implementation status of compliance-relevant processes, and inform each other about the current compliance matters. Cross-area discussions also take place concerning relevant statutory or regulatory amendments or changes and case law and their effects on VIG Holding. Appropriate responsibilities are assigned if the committee determines that action is needed. The meeting minutes are sent to the Managing Board for information.

Sustainability Committee
A Sustainability Committee was established in 2023 comprising the Deputy Chairman of the Managing Board, the CFRO, the COO and area heads of VIG Holding – in particular from the six spheres of activity of the sustainability programme. The committee is a consulting body that acts as an interface between the operational level and the Managing Board with overall responsibility.

KEY FUNCTIONS

In addition to the four governance functions provided for in the VAG, other key functions were identified in VIG Holding and holders appointed to these functions. All governance and other key functions are organisationally located below the Managing Board as a whole or individual members of the Managing Board and report directly to the Managing Board. The governance functions also report periodically to the Supervisory Board Audit Committee.

Governance functions

The Managing Board as a whole is responsible for monitoring the risk situation within the company. It is supported by the governance functions.

The **Compliance function** is organisationally assigned to the Managing Board and reports directly to it during the performance of its duties. Furthermore, the Compliance function is separated from the other governance and key functions of VIG Holding, performs its activities independently and is not entrusted with any operational duties in the sense of the core business activities.

The function holder performs its role at the level of VIG Holding as a solo company and the level of VIG Insurance Group. The duties of the Compliance function are specified in an internal policy for VIG Holding and include, among other things, the requirements placed on the function by insurance supervision law.

The duties include, in particular:

- Early warning function: In this regard, the Compliance function identifies and assesses the possible impact of any changes in the legal environment on the company's activities and organisation, evaluates and communicates necessary measures and monitors their implementation.
- Compliance risk management function: The compliance risks are identified, evaluated and monitored at the overall company level.
- Preventive function: Measures to prevent non-compliance mainly consist of the preparation of internal company policies, guidelines and work instructions, the performance of awareness-raising measures (e.g. training) on compliance-related topics, and participation in projects, for instance to prepare for legal or regulatory changes or amendments or for planned mergers or acquisitions.
- Advisory function: The Compliance function advises the Supervisory Board, the Managing Board and employees concerning applicable requirements and assists in the preparation of internal company workflows and processes for complying with these requirements.
- Appropriateness and monitoring function: The appropriateness of measures to prevent non-compliance is assessed during Compliance audits. A variety of monitoring activities are also performed to monitor compliance with legal requirements.

Appropriate arrangements have been made for substitutes for the Compliance function in the case of absence. The function is also assisted in the performance of its duties by employees in the Compliance department (incl. AML).

The **Internal Audit function** is organisationally assigned to the Managing Board and reports directly to it during the performance of its duties. Organisationally, the Internal Audit function is separated from the other governance and key functions, performs its activities independently and is not entrusted with any operational duties in the sense of the core business activities. The function holder performs its role at the level of VIG Holding and at the level of VIG Insurance Group.

The duties of the Internal Audit function are specified in the function description. They include the requirements for the function according to the VAG, namely examination of the legality, propriety and expediency of the (re-)insurance company's business, as well as the appropriateness and effectiveness of the internal control system and other elements of the governance system. This includes in particular:

- Audit planning on the basis of risk-oriented topics and ensuring comprehensive auditing activities
- Audit work, including auditing management, particularly with regard to the focus of the audit content, scope of the audit and subsequent coordination of the audit reports
- Reporting on the areas of the audit and significant audit findings to the members of the Audit Committee and Supervisory Board
- Ensuring follow-up of implementation of proposed measures

Appropriate arrangements have been made for substitutes for the Internal Audit function in the case of absence. The function holder is also assisted in the performance of its duties by the Internal Audit department employees.

The **Risk Management function** is organisationally assigned to Managing Board member Liane Hirner and reports directly to her during the performance of its duties. The function is separated from the other governance and key functions, performs its activities independently and is not entrusted with any risk-taking duties in the sense of the core business activities. The same person performs the function for VIG Holding and at the level of VIG Insurance Group.

The duties of the Risk Management function are specified in a function description and include, in particular:

- Regular risk identification and analysis (risk inventory)
- Assessment of the risk profile, implementation of the own risk and solvency assessment (ORSA)
- Risk reporting to the management bodies
- Quarterly and annual assessment of the Solvency Capital Requirement
- Development and maintenance of the partial internal model
- Monitoring the risk-bearing capacity
- Annual review of the effectiveness of the internal control system (ICS)
- Further development and maintenance of the central computing platform for solvency calculation

Appropriate arrangements have been made for substitutes for the VIG Holding Risk Management function in the case of absence. The function holder is supported in its duties by Risk Management department employees.

The **Actuarial function** is organisationally assigned to the Managing Board and reports directly to it during the performance of its duties. The function holder performs its role for VIG Holding and at the level of VIG Insurance Group.

The duties of the Actuarial function are specified in a function description and include, among other things, the requirements for the Actuarial function stipulated in the VAG, in particular:

- Coordination of the calculation of technical provisions
- Ensuring the appropriateness of the methods and basic models used and the assumptions made in the calculation of the technical provisions
- Assessment of the sufficiency and quality of the data used in the calculation of the technical provisions
- Comparison of best estimates with experience values (back testing)
- Reporting to the Managing Board on the reliability and appropriateness of the calculation of technical provisions
- Monitoring the calculation of technical provisions
- Providing an opinion on the general risk underwriting policy and the appropriateness of the reinsurance contracts
- Contributing to the effective implementation of the risk management system, in particular with a view to creating risk models for the calculation of the Solvency and Minimum Capital Requirements and the own risk and solvency assessment

Appropriate arrangements have been made for substitutes for the Actuarial function in the case of absence. The holder is also assisted in the performance of its duties by employees in the Actuarial department.

Other key functions
The head of asset management was identified as one of the other key functions. The responsibilities and main duties of the Asset Management area are indicated in Chapter B.3.

INFORMATION AND REPORTING CHANNELS

Interactive communication is of major importance in VIG Holding. This ensures that all affected individuals have the necessary information available to adequately fulfil the duties and responsibilities assigned to them. Important decisions are prepared in the appropriate committees or by the functional departments before being adopted in regular Managing Board meetings and entered into the minutes of these meetings.

SIGNIFICANT TRANSACTIONS

Except for the dividends and compensation, no significant transactions took place with shareholders, persons with significant influence over the company, or members of the Managing Board and Supervisory Board during the reporting period.

COMPENSATION POLICY AND COMPENSATION PRACTICES

The attractiveness of VIG Insurance Group as an employer is fostered by the fact that the compensation systems are appropriate and transparent. The following principles apply to VIG Holding and VIG Insurance Group.

The compensation policy reflects the risk awareness (including sustainability risks) of VIG Holding and VIG Insurance Group. In particular, the compensation practices may not promote a readiness to assume excessive risk at the expense of the company concerned and its stakeholders, or promote behaviour that would endanger the ability of VIG Insurance Group or the company to maintain an appropriate capital base.

The compensation policy promotes the focus on sustainable management at all company levels in VIG Insurance Group and the current strategy of VIG Insurance Group and the company. It aims to promote coherent action and to avoid conflicts of interest.

VIG Holding and the VIG Insurance Group companies observe all relevant statutory requirements when determining and applying the compensation policy.

The compensation takes working hours and the required qualifications, responsibilities and duties of the position concerned into account. Care is taken to ensure that the salary is not below the minimum wage applicable under the national law or existing collective bargaining agreements.

If a variable compensation component is agreed, the objectives that determine the variable compensation component must be transparent and updated once a year. If no minimum wage is required by law or collective agreement, the fixed compensation must be sufficiently high to prevent too great a dependence on variable compensation.

Compensation policy for key functions and risk takers
The variable portion of the compensation for holders of governance and other key functions, members of the Managing Board and risk takers, is limited and emphasises the need for sustainability. Achieving the full amount of this compensation depends on an analysis of the sustainable development of the company that goes beyond a single financial year.

The solvency position is a central risk indicator which is constantly monitored as part of the risk-bearing capacity. The solvency ratio is taken into account when granting variable compensation components.

Depending on the date an employee joined the company, individual VIG Insurance Group companies provide company pension payments for key function holders, members of the Managing Board and risk takers that are based on individual contractual commitments.

Remuneration policies for Managing Board members
Managing Board remuneration takes into account the importance of VIG Insurance Group and the responsibility that goes with it, the economic situation of the company, and the appropriateness of the remuneration in the market environment.

The variable portion of the remuneration emphasises the need for sustainability and achieving it fully depends critically on an analysis of the sustainable performance of the company that extends beyond a single reporting year.

The performance-related remuneration is limited. This also applies to the members of the VIG Insurance Group Managing Board. The maximum performance-related compensation that the Managing Board of VIG Holding can receive by achieving the standard targets in the financial year 2023 is around 30% to around 36% of total compensation. Special bonus compensation can also be earned for overachievement of targets and special strategic objectives. In total, the members of the Managing Board can earn variable compensation equal to a maximum of around 45% to 50% of their total compensation in this way.

Large parts of performance-related compensation are only paid after a delay. The delay for financial year 2023 extends to 2027. The deferred portions are awarded based on the sustainable performance of VIG Insurance Group.

The Managing Board is not entitled to performance-related remuneration if performance fails to meet certain thresholds. Even if the targets are fully met in a given financial year, because of the focus on sustainability, the full variable remuneration is only awarded if VIG Insurance Group also achieves sustainable performance in the three following years.

The main performance criteria for variable remuneration in 2023 were, in particular, the premium growth, the result before taxes and the solvency ratio, as well as – as a non-financial target – greater social responsibility. For the special bonus compensation, the strategic objectives focused on profitability. Furthermore, there is compensation for overachievement in certain target areas.

Managing Board remuneration does not include stock options or similar instruments.

Managing Board members are provided a company car for both business and personal use.

PENSION PLANS

Members of VIG Holding's Managing Board who were active as of 31 December 2019 are entitled to funded defined benefit pensions – based, among other things, on the length of service in VIG Insurance Group – equal to a maximum of 40% of the measurement base if they remain in the Managing Board until age 65. The measurement base is equal to their standard fixed remuneration. This pension amount can be increased in individual cases if work continues past the maximum pension age, since a pension is not drawn during this period.

Starting as of 1 January 2020, newly appointed members of the Managing Board can be granted entitlements to defined benefit pensions (alternatively entitlements to defined contribution pensions). As a rule, entitlements require at least one reappointment, and are granted in stages, so that the maximum entitlement of 40% of fixed remuneration cannot be reached until age 65 after at least 10 years of service as a member of the Managing Board. If a member of the Managing Board has previously served in other positions in VIG Insurance Group for at least 5 years, an entitlement can already be granted at the beginning of the term of office.

Pensions are normally received (regardless of the initial appointment date) only if a Managing Board member's position is not extended and the member is not at fault for the lack of extension, or the Managing Board member retires due to illness or age.

SEVERANCE

The provisions of the Austrian Corporate Staff and Self-Employment Provision Act apply to the Managing Board contracts.

Only the contracts for members of the Managing Board of VIG Holding who have been active in the Group for a long time provide for a severance payment structured in accordance with the provisions of the Austrian Employee Act (Angestelltengesetz), as amended in 2003, in combination with applicable industry-specific provisions. This allows these Managing Board members to receive a severance payment equal to two to twelve months' remuneration, depending on the period of service, with a supplement of 50% if the member retires or leaves after a long-term illness. A Managing Board member who leaves by their own choice, without agreement with the company, before retirement is possible, or leaves due to their own fault, is not entitled to severance payment.

Compensation policy for Supervisory Board members

The members of the VIG Holding Supervisory Board are entitled to receive compensation approved by the General Meeting in the form of a payment remitted monthly in advance. Members of the Supervisory Board who withdraw from their positions before the end of a month still receive full compensation for the month in question. In addition to this compensation, Supervisory Board members are entitled to receive an attendance allowance for participating in Supervisory Board meetings and Supervisory Board committee meetings (paid after participation in the meeting).

There are no variable salary components or pension plans for members of the Supervisory Board.

Supervisory Board compensation does not include stock options or similar instruments.

No loans or guarantees were granted to the members of the Supervisory Board during the reporting period. There were also no loans or guarantees on 31 December 2023.

ADEQUACY OF THE GOVERNANCE SYSTEM

The governance system of VIG Holding is well-defined and proportionate to the nature, scale and complexity of the company.

The responsibilities of the VIG Holding Managing Board are set down in the organisational plan for business areas. The duties and responsibilities in the individual departments of VIG Holding are also clearly specified, including in policies and guidelines. A well-defined process organisation that is also reflected in policies and guidelines ensures that all VIG Holding employees are aware of the responsibilities and reporting lines (primarily to the higher level). An organisational chart is available to employees on the Group network. Direct reporting lines from the department heads to the respective responsible members of the Managing Board ensure that relevant information is taken into account in the management of VIG Holding in an appropriate and timely manner.

As part of the governance system, all legally required governance functions have been established in VIG Holding, the existence of conflicts of interest is continuously reviewed and, if necessary, appropriate measures are taken to avoid or deal with them. The duties and responsibilities of the governance functions are described in guidelines and function descriptions. Furthermore, a separate guideline on the governance functions specifies, among other things, the collaboration between and delimitation of governance functions. Making the governance functions directly subordinated to the Managing Board as a whole (Compliance, Internal Audit, Actuarial function) or a Managing Board member responsible for the area (Risk Management) ensures they have an appropriate position in VIG Holding. The governance functions also report periodically to the Managing Board, the Supervisory Board Audit Committee and the Supervisory Board. The governance functions also regularly participate in the meetings of the VIG Holding Managing Board and provide opinions on specialised topics.

In addition to the ongoing exchange between governance functions, an institutionalised exchange on company-specific and Group-wide topics also takes place every two months. A member of the Managing Board also attends the meetings twice a year. The minutes are sent to the Managing Board for their information. Legally required and other risk-mitigation policies and guidelines have also been established in VIG Holding.

The VIG Holding internal control system is based on a Group-wide ICS policy and ensures that a control environment appropriate for its organisational structure and process organisation exists at all times. The Managing Board is informed about the status of the ICS each year. The function of the ICS is regularly audited by the Internal Audit department both separately and as part of other audits.

The Compliance function performs risk-based compliance audits of the governance processes that have been established in order to ensure compliance with legal requirements. The results of these audits are reported (if necessary) to the Managing Board together with any necessary measures to be taken.

The internal audit department subsequently performs periodic audits according to the risk-based audit plan and, if necessary, ad hoc independent audits of various sub-areas of the governance system and reports on these audits to the Managing Board.

B.2 FIT AND PROPER REQUIREMENTS

When appointing Managing Board members and holders of key functions, particular attention is paid to whether the candidate satisfies the fit and proper requirements.

The professional qualification (fit) requirements are defined in the respective function description for each function. In all cases, the following criteria are considered during recruitment:

1. Education (including studies)
2. Professional experience
3. Other knowledge (e.g. relevant legal knowledge or relevant technical knowledge)

Documentation relevant to the information in the CV is to be provided (certificates, diplomas, etc.).

When appointing Managing Board members and holders of key functions in the company, a number of measures are used to assess whether the person is of good reputation (proper).

- At least one objective element (test procedure, standardised conversation, more than one interview partner) is used during the recruitment process.
- Candidates must complete a form providing information about their financial situation, any involvement in relevant (criminal) proceedings, etc., must submit a certificate of good conduct that is no older than three months when hired, and must agree to notify the company of any future changes which occur during the employment relationship.

A fit and proper Group guideline at the VIG Insurance Group level was approved by the Managing Board to provide a uniform framework.

Managing Board members and key functions are responsible for keeping up to date on all material aspects of their functions and ensuring that relevant information is made available within the company. This includes both technical, legal and regulatory aspects as well as, if necessary, internal company guidelines.

The necessary technical resources, funds and budgets are made available by the company to the members of the Managing Board and holders of governance and other key functions.

The individual companies also determine professional qualification (fit) requirements for the individuals who effectively manage the company, and the governance and other key functions in accordance with applicable local legislation.

Whether a person is of good reputation (proper) is also subject to local legal requirements in many areas.

SUPERVISORY BOARD

Supervisory Board members in insurance companies and mutual insurance associations must become familiar with their specific duties under the Solvency II regime, which were included in the VAG effective 1 January 2016. Among other things, they must have sufficient professional qualifications.

B.3 RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT

The professional handling of risks is one of the core competences of VIG Holding. It uses a comprehensive risk management system to fully identify, assess, manage and monitor risks to which it is exposed. The own risk and solvency assessment (ORSA) is one of the key elements of the risk management system.

RISK STRATEGY AND OBJECTIVES

VIG Holding has set clear principles and objectives to manage the risks to which it is exposed. The implementation of these principles and the achievement of the objectives are supported by a well-defined risk management organisation. The risk strategy of VIG Holding is based on the following Group-wide principles:

Risks assumed and accepted
All risks that are directly associated with the performance of the insurance business are accepted to a sustainable extent. These include underwriting risks and, to a limited extent, market risks.

Risks that are conditionally accepted
Operational risks must be avoided as far as possible. However, they must be accepted to a certain extent as operational risks cannot be fully eliminated, or the costs for eliminating these risks bear no relation to the potential losses that may arise if the risk becomes significant.

Investment management follows the prudent person principle. The conservative investment strategy is defined by investment guidelines and limits taking into account sustainability aspects.

Risk-mitigating measures
Risk mitigation is ensured in all areas through the ongoing maintenance and promotion of a high level of risk awareness coupled with the defined risk governance.

The technical provisions are calculated taking into account the possibility of sharp fluctuations in individual parameters.

Reinsurance is a key instrument for ensuring stable results and serves to protect against negative effects from tail risks, in particular in the area of non-life insurance.

The definition of limits for market risks and investments taking into account the financial viability of guarantees and liquidity (asset-liability management) also serves to mitigate risk.

Risks that are not accepted
Risks are not accepted if the necessary expertise or required resources for the risk are not in place or if the capital resources for covering the risk are not sufficient.

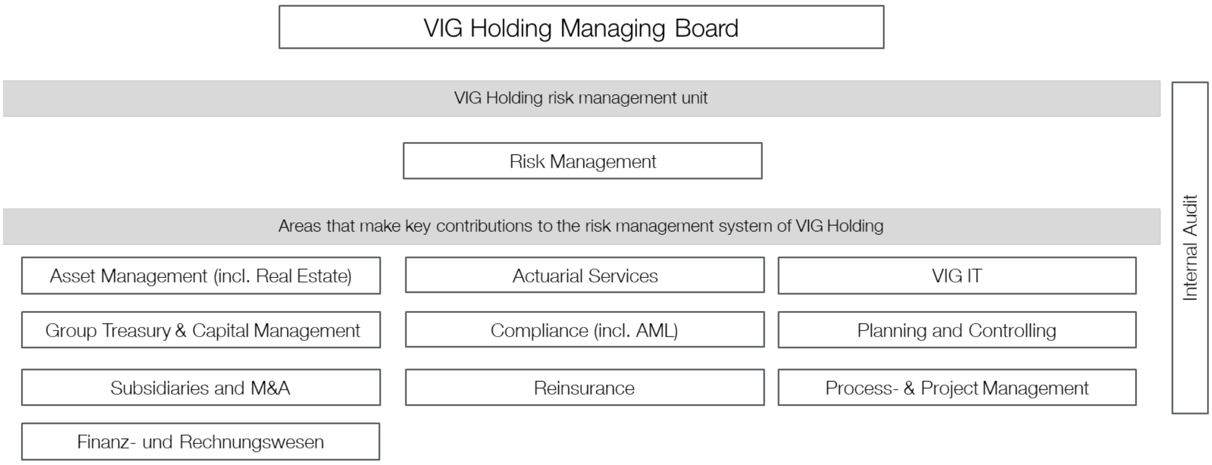
Underwriting risks are not accepted if they cannot be measured and the price cannot be determined. This particularly concerns risks in liability insurance in the areas of genetic engineering and nuclear energy.

As for investments, risks are not accepted if they are contrary to sustainability considerations or if the expertise for appropriately evaluating these risks is not available. These risks include, for example, weather derivatives and commodity index futures.

Financial risks (e.g. credit insurance) are generally not accepted in the insurance business.

ORGANISATION OF THE RISK MANAGEMENT SYSTEM

The risk management system is integrated into VIG Holding's organisational structure. The following chart shows the units that play a central role in the risk management system.



Managing Board
The Managing Board as a whole is responsible for the risk management system, in particular for the following areas:

- Develop and promote the risk management system
- Define and communicate the risk strategy, including risk tolerances and risk appetite
- Approve corporate risk management guidelines
- Take the risk situation into account in strategic decisions

Risk Management
The department reports to Managing Board member Liane Hirner. The management of the department performs the Risk Management function required under Solvency II at Group and solo level.

The main responsibilities of the department include recording, assessing and managing the overall risk profile of the Group and calculating solvency. The department provides a Group-wide risk aggregation solution for this purpose with extensive reporting and partial modelling approaches for calculating solvency capital. Calculation of the Solvency Capital Requirement during the year, analysis of risk-bearing capacity using proprietary analysis tools and reviewing the internal control system are other important activities performed by the department.

The department also assists the Managing Board with updating the corporate risk strategy, improvements to the risk organisation and further risk management topics.

Asset Management (incl. Real Estate)
The department reports to Managing Board member Gerhard Lahner. One of the main responsibilities of the department is to define a strategic orientation for the investments of each insurance company and for VIG Insurance Group as a whole, and to specify an investment strategy and investment process aimed at ensuring that current income is as high as possible, but also as secure as possible, while simultaneously taking advantage of opportunities to increase the value of investments. Guidelines and limits are used to manage investments. Regular reports are also provided for investments, limits and income.

Group Treasury & Capital Management
The department reports to Managing Board member Gerhard Lahner. The department's main tasks include managing liquidity, planning and conceptualising capital raising and capital management, including the execution of proprietary capital market transactions, along with managing the portfolio of subordinated capital bonds and other debt instruments.

Subsidiaries and M&A
The department reports to Chairman of the Managing Board Hartwig Löger. The department generally safeguards the interests of the company with regard to all participations and is responsible for the provision and preparation of information on participations and investment projects, tailored to the respective decision-making situation.

Actuarial Services
The department reports to the Managing Board. The management of the department performs the Actuarial function required by Solvency II. The department is therefore responsible, in particular, for the duties related to the Actuarial function. The department also deals with actuarial modelling in Prophet for the life and health insurance business and ResQ for the non-life business. The models provide cash flow projections for the valuation of technical provisions in accordance with Solvency II and IFRS 17. The department provides support for analyses of IFRS 17 reserves as well as actuarial collaboration and professional networking.

Compliance
The department reports to the Managing Board. The department coordinates and assists all companies in VIG Insurance Group and their compliance areas with respect to compliance matters. In addition, the Compliance function required under Solvency II is performed by the management of this department. The department is therefore responsible, in particular, for the duties related to the Compliance function.

Reinsurance
The department reports to Deputy Chairman of the Managing Board Peter Höfinger. The department coordinates and assists all companies in the VIG Insurance Group and their reinsurance departments with reinsurance matters in the non-life business (property and casualty, third party liability and accident insurance) by preparing and applying guidelines. The department also administers Group-wide reinsurance programmes in the non-life lines of business. The primary objective is to create a safety net to provide continuous protection for all of the companies in VIG Insurance Group against the negative effects of catastrophes, individual large losses and negative changes in entire insurance portfolios.

VIG IT
The department reports to Managing Board member Gerhard Lahner. The department is responsible for managing IT at VIG Holding level and comprises the Group Information & Cyber Security, Procurement, Architecture & Innovation, International Bank Cooperation Management and IT Strategy & Governance departments.

Planning and Controlling
The department reports to Managing Board member Liane Hirner and is an important part of the integrated risk management approach. The department coordinates business planning over a 3-year horizon. The standardised reports include key figure and variance analyses for planning, forecasts and ongoing performance of VIG Holding and its insurance company participations. Regular monthly premium reports, quarterly reports for each company (aggregated at the country and VIG Insurance Group level) and cost reports are prepared.

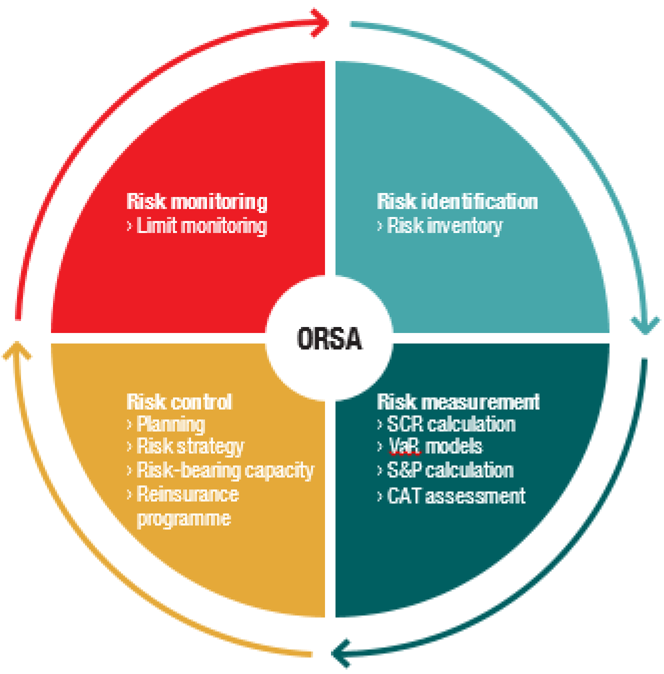
Process & Project Management
The department reports to Managing Board member Gerhard Lahner and works to ensure clarity, transparency and understanding of work processes so that the individual companies in the VIG Insurance Group and their employees are better placed to achieve their goals. To this end, coordination and support is provided in the three main areas of project management, process management and productivity management.

Internal Audit
The department reports to the Managing Board. The Internal Audit department regularly monitors operating and business processes, the internal control system of all operational business areas, including compliance with legal requirements, and the functionality and adequacy of risk management. The management of the department performs the Internal Audit function required by Solvency II.

Finance and Accounting
The department reports to Managing Board member Liane Hirner. One of the main tasks of the department is to prepare the annual financial statements of VIG Holding. The department is therefore responsible for the company's bookkeeping and accounting and is also responsible for reporting the figures.

RISK MANAGEMENT PROCESSES

The chart below shows the main risk management process, which consists of the following process steps that are repeated regularly and on ad hoc basis:



Risk identification
Risk identification is the starting point and provides the foundation for all subsequent steps. The aim of risk identification is to uncover all possible material risks and to record and document them.

In general, risk identification takes place on several levels: The internal control system, risk inventory, etc. are clearly defined processes based on guidelines and formalised procedures. Meetings, committees, standing meetings and other more or less formalised forms of communication and exchange of information are further sources of risk identification. Risk management activities and expertise ultimately serve as an additional important component in the identification of relevant new risks.

Risk measurement
Once risks have been identified, risk measurement and assessment are essential for handling the risks and making subsequent decisions.

The risks are assessed quantitatively and/or qualitatively depending on the type of risk. Besides scenario- and fact-based approaches, stress tests and internal and/or external expert opinions are incorporated in the risk measurement process.

Risk steering
The key risk steering processes are:

PLANNING
The planning horizon is three years. In the ORSA, planning data is taken into account and used as a projection basis for determining the expected future risk profile.

RISK STRATEGY
The risk strategy is reviewed annually by the Managing Board and modified, if necessary, based on the results of the ORSA. The Risk Management department assists the Managing Board with this.

RISK-BEARING CAPACITY
Risk steering activities are conducted taking into account the risk-bearing capacity. In practice, this means adherence to risk budgets, the accomplishment of key indicators and a general risk-based approach in terms of a sustainable value-oriented approach in ongoing business operations.

REINSURANCE PROGRAMME
The Reinsurance department coordinates the Group-wide reinsurance programme and manages the annual renewal process for natural catastrophe coverage. The Risk Management department assists the Reinsurance department in validating the external natural catastrophe models used and assessing the effectiveness of reinsurance coverage using the non-life internal model.

Risk monitoring
The solvency corridor defined at the Group level and the Group-wide limit system applicable in the course of the risk-bearing capacity form the basis for continuous monitoring of the solvency situation of VIG Insurance Group and its subsidiaries.

Compliance with the securities guidelines and key figures is also continuously checked and monitored. Monitoring is performed by means of regular fair value assessments, VaR calculations and detailed sensitivity analyses and stress tests and calculating the Solvency Capital Requirement during the year.

Liquidity risk is managed and monitored by matching the investment portfolio to insurance obligations. Operational risks which might be caused by faulty internal processes, inadequate controls, incorrect estimates or faulty models are also continuously monitored using the internal control system.

GOVERNANCE OF THE PARTIAL INTERNAL MODEL

VIG Holding uses a PIM for non-life and property risks in order to calculate the Solvency Capital Requirement. The PIM was developed under the leadership of VIG Holding together with selected VIG Insurance Group companies and was approved by the FMA.

The VIG Holding Managing Board bears the overall and strategic responsibility, as well as responsibility for the appropriate use of the PIM. Operational responsibility is allocated as follows:

Operational responsibility	ariSE	Property
Parametrisation/calculation	Risk management function	Risk management function
Data input/quality	Risk management function	Risk management function
Model changes	Risk management function	Risk management function
Documentation	Risk management function	Risk management function
Model use	Reinsurance, controlling in connection with the risk management function	Asset management (incl. real estate) in connection with the risk management function
Validation	Risk management function*	Outsourced

* While maintaining the independence required for the parametrisation/calculation.

The model results are of major importance to the management of the company. For example, the model is regularly used as part of the planning process, for the renewal process of the reinsurance programme, for the acquisition and sale of real estate or for risk-return analyses.

Due to the significance of the model for the management of the company, the PIM is subject to particularly high governance requirements, which are reflected in specific and independently performed validation methods. In addition to the model assumptions and basic methodology, the main validation procedures also include, for example, the following:

- Assessment of the accuracy, completeness and appropriateness of the data used
- Sensitivity tests
- Stress tests and scenario analyses
- Stability test

The results of the validation tests are approved by the responsible Managing Board member. The model processes described above are subject to clearly defined rules, which are well-documented in a manner understandable to third-party experts. Validation is performed while maintaining the necessary independence. Model changes may only be performed in accordance with strict requirements. This ensures that the PIM is an inherent part of the risk management system and is subject to a well-defined process within the governance system. During the reporting year, there were several significant model changes in the non-life area (expansion of the model scope in Poland, change in methodology for reserve risk and a number of smaller model changes), which were approved by the FMA.

OWN RISK AND SOLVENCY ASSESSMENT

The own risk and solvency assessment (ORSA) is linked to many other processes within the company and is carried out at least annually at VIG Holding. In addition, an own risk and solvency assessment is carried out on an ad hoc basis if this becomes necessary due to a significant change in the risk profile.

The ORSA of VIG Holding comprises the following three regulatory core elements:

- Determination of the overall solvency need and assessment of the own risk profile
- Statements about the continuous compliance with the Solvency and Minimum Capital Requirements (SCR/MCR) incl. a forward-looking estimate over the planning period
- Statements about deviations of the risk profile from the prescribed assumptions underlying the calculation of the Solvency Capital Requirement

The ORSA process is based on the following principles:

- The process is adapted to the nature, extent and complexity of the risks involved in the business activity of VIG Holding and appropriately documented.
- The process itself is reviewed and assessed on a regular basis.
- The results from the ORSA are integrated as an important component in management processes and in decision-making processes.
- The ORSA is based on the current risk inventory and analyses the – in the company's view – relevant risks to which VIG Holding is exposed. In addition to the current risks, sustainability risks are also explicitly addressed in this process.
- The quality of the ORSA strongly depends on the nature and quality of the data used. Data quality requirements with respect to accuracy/correctness, completeness and appropriateness are taken into account in all risk management processes.
- The ORSA is forward-looking and assesses the ability of VIG Holding to act in accordance with the going concern principle.

The ORSA process comprises all processes for risk identification and risk measurement, the projection of the solvency need and stress tests, risk management by determining strategic measures, risk monitoring and reporting.

As output or feedback, the results of the ORSA provide an assessment as to whether the respective processes are working, whether they entail significant risks and whether processes need to be adapted. For this reason, the ORSA results also serve as output interfaces or feedback interfaces for the risk and business strategy, corporate planning and the risk-bearing capacity.

The ORSA ensures that the management bodies are continuously informed about the risks which VIG Holding is exposed to in the short and long term. As a result, necessary measures can be taken to manage and effectively steer these risks in a targeted way.

The following table provides a brief overview of the key roles and responsibilities in the ORSA:

Function	Responsibilities
Managing Board	- Overall responsibility for the ORSA process - Definition of requirements and responsibilities for performance of the ORSA process - Determine the strategic orientation - Implementation of adequate risk management processes and procedures - Ensuring completeness and reliability of results - Approval of the ORSA report
Risk Management function	- Coordination and operational implementation of the ORSA process - Preparation of core contents of the ORSA (risk profile, projection, sensitivities, etc.) - Consolidation and final editing of the overall report - (Further) development of Group guidelines, methodology and templates - Provision of necessary documents for the ORSA process - Support during preparation of the ORSA report at the Group level
Area head	- Support of the risk management function during preparation of the ORSA report - Implementation of the defined business, risk and capital strategy

On the basis of the company's own business and capital planning, the overall solvency needs are projected together with the Solvency Capital Requirements and the available capital base over the entire planning period. The extent to which possible deviations from the planned business development would affect VIG Holding is then determined on the basis of appropriate stress tests or scenario analyses. This is to ensure that even in the event of adverse business developments that VIG Holding has access to sufficient funds in the short and long term to cover its own liabilities and that regulatory Solvency Capital Requirements are met.

The knowledge gained from the projection and stress tests is the basis for the definition of strategic measures. In cooperation with the Managing Board, the preliminary results are discussed and VIG Holding's business planning is adjusted if necessary. The Managing Board reviews the strategic direction of VIG Holding based on the results. It includes the business strategy, which defines the main principles to achieve the objectives, a comprehensive risk strategy, which determines the appropriate risk management measures for major risks and the capital strategy, which ensures sufficient own funds in terms of the risk-bearing capacity.

The results and findings of the annual ORSA process are summarised in the ORSA report. After the report is approved by the Managing Board, it is sent to the Austrian Financial Market Authority (FMA) within a period of two weeks.

B.4 INTERNAL CONTROL SYSTEM

The internal control system (ICS) is an important component of the governance system and is firmly anchored in the entire VIG Insurance Group. It is based on an appropriate process organisation with clearly defined areas of decision-making and responsibility. Based on this determination of responsibility, duties and general requirements and guidelines are established for the respective departments, which set up the framework of the ICS.

DESCRIPTION OF THE INTERNAL CONTROL SYSTEM

The standards and principles set down in the guideline are defined across the entire Group and form the basis of the ICS. This ensures that the ICS provides verifiable assurance as to the effectiveness and efficiency of the operations and processes, appropriateness of the controls used, accuracy of information and compliance with internal and external requirements.

The ICS is integrated into the organisational structure and process organisation. The roles and responsibilities in the ICS are clearly defined and presented in the following table:

Role	Responsibility
Managing Board	Overall responsibility for the implementation and effectiveness of the ICS
Risk Management function	Responsibility for the coordination and performance of the ICS assessment process, including reporting to the Managing Board, as well as responsibility for the continuous development of the methodology, templates and Group requirements
Compliance function	Assistance in the identification of compliance risks and ensuring appropriate control measures within VIG Insurance Group
Internal Audit	Downstream independent review of the internal control system in accordance with the audit plan or as requested by the Managing Board/Supervisory Board
Area head	Responsibility for the identification of risks and implementation of adequate controls in the respective areas of responsibility
All employees	Risk-conscious work, identification and communication of potential control weaknesses to the supervisor, carry out controls, ensuring adequate documentation of the control activities

The documentation produced within the scope of the process includes a standard summary of all material risks and controls. The respective organisational unit is responsible for the actual control documentation, which includes, among other things, the organisational and process flow charts, policies and guidelines, records, work instructions and control reports.

Essentially, each employee must ensure an adequate control environment in their area of activity so that operational risks are minimised.

The effectiveness of the ICS is assessed at the least once a year by the operating units, i.e. the control owners, during the Group-wide process.

To ensure an orderly process, clear guidelines are defined and a local ICS manager is also available in each company as a contact person who independently performs the local process and reports the results to the local Managing Board and the Group.

COMPLIANCE FUNCTION

The Compliance function of VIG Holding is organisationally subordinated to the Managing Board and reports directly to it. Chairman of the Managing Board Hartwig Löger is the Managing Board contact person for the Compliance function. The Compliance function performs its activities independently and is not entrusted with any of the operational duties of VIG Holding in the sense of the core business activities.

The Compliance function is active at both the VIG Holding and VIG Insurance Group level, is decentrally structured and has been established separately from the other governance and key functions of VIG Holding. It performs the duties specified in the VIG Holding Compliance function guideline. Other subject-specific compliance-related guidelines also exist for VIG Holding.

A Compliance Committee was established at the VIG Holding level in the decentralised organisation, consisting of the Compliance function and the compliance officers. They are the other governance functions, the heads of other risk-relevant departments and special officers. Meetings take place four times a year. The minutes are sent to the Managing Board for their information. The Compliance function coordinates the compliance activities in VIG Holding, and the compliance officers are responsible for compliance with statutory and regulatory measures in their organisational areas and implementation of the compliance duties assigned to them. The Compliance function also promotes coordinated collaboration on compliance agendas and ensures an appropriate flow of communication on compliance-relevant topics within VIG Holding. The compliance officers assist the function in the performance of its duties.

A committee, the Group Compliance Committee, was also established at the VIG Insurance Group level, consisting of the management of the VIG Insurance Group Compliance function and the compliance officers of the VIG (re-)insurance companies, the asset management companies and the pension schemes in and outside the EU, provided that VIG Holding holds the majority of the shares, directly or indirectly. Meetings take place at least once a year. The meeting documents are sent to the Managing Board for information. The local compliance officers are responsible for implementing compliance responsibilities in their companies. They are coordinated, advised, assisted and monitored by the VIG Insurance Group Compliance function.

Compliance policy
A compliance policy, the VIG Holding Compliance function policy, was established to satisfy the requirements for a compliance policy. It is based on the Group Compliance Management System Policy and Group Compliance Management Implementation Guideline and specifies the work procedures, duties, responsibilities, competences and reporting requirements of the Compliance function at the VIG Holding level. In addition, VIG Holding has its own Compliance Management in Branch Offices Policy, which governs the compliance responsibilities and activities in VIG Holding branch offices. Other subject-specific compliance-related guidelines and policies have also been prepared for VIG Holding and are in force. The compliance policies are reviewed at least once a year to ensure that they are correct and up to date and are amended, if necessary, to take account of legal, regulatory, Group and company changes.

Compliance plan
The VIG Holding compliance plan for the financial year 2023 was approved by the Managing Board. VIG Holding's activities during the reporting period were aimed at consolidating the compliance management system, with a particular focus on monitoring the dynamic legal environment including informing the affected departments of VIG Holding and preparing for the entry into force of new or amended legal provisions, in particular the Austrian Whistleblower Protection Act and the requirements of the EU Taxonomy Regulation, ensuring compliance with international sanctions, increasing business partner due diligence, expanding preventative activities (especially training) and monitoring the increasingly complex legal environment, especially in the area of international sanctions.

Compliance reporting
A regular report is provided to the Managing Board once a year as part of the compliance annual report. In this report, the Compliance function reports on the activities performed during the calendar year, both at the VIG Holding and VIG Insurance Group level. This includes, in particular, information on whether activities specified in the compliance plan have been implemented. The annual report is brought to the attention of the Managing Board, the Supervisory Board Audit Committee and the Supervisory Board. When needed, ad hoc reports are also provided to the Managing Board of VIG Holding and, if necessary, the Supervisory Board.

B.5 INTERNAL AUDIT FUNCTION

The VIG Holding Internal Audit department directly performs the Internal Audit function for VIG Holding and the Group Internal Audit function for all VIG companies. In addition, it also currently acts as the internal audit department of Wiener Städtische (Austria), DONAU Versicherung (Austria), InterRisk Life and Non-Life (Germany) and Vienna Life (Liechtenstein). Its activities as Group Internal Audit department are also based on § 119 VAG.

The Group Internal Audit department issues audit standards and performs audits, among other things, of the activities of the local internal audit departments, of the compliance with the Group-wide internal policies and of certain areas in VIG companies in cooperation with the local internal audit departments. Draft reports by the Group Internal Audit department are sent to the respective audited company for approval. After the draft has been sent to the Managing Board in German and/or English, the company has three weeks to submit an opinion. If this deadline passes without feedback, a further period of two weeks may be granted. If no opinion is issued within this period, it is assumed that the company has approved the contents of the draft report, including any proposed measures.

Both the local internal audit department and Group Internal Audit department are fully entitled to inspect and access all (written or electronic) data and verbal information without limitation. The responsibility of each company to establish and ensure the functioning of the internal audit department is not affected by the audits performed by the Group Internal Audit department.

The local internal audit department is assigned to the respective Managing Board or Supervisory Board according to the applicable statutory regulations. In the following matters, however, the Group Internal Audit department is to be involved in all cases in coordination with the local Managing Board or Supervisory Board:

- Appointment and dismissal of the management of a local internal audit department
- Serious fraud
- Audit topics that go beyond the authority of the local internal audit departments of the individual companies, such as topics that affect more than one VIG insurance company in a country
- In the case of an internal audit topic for which no specific know-how is available in the local internal audit department

The annual audit planning of each local internal audit department is targeting the risk-oriented aspects – in addition to the respective legally mandatory audits. A multi-year plan is also created, which covers a period of three to a maximum of five years and covers all company areas. The focus must be on material areas. Whether a company area is material depends on risk-related factors. The following areas are always considered material: claims, underwriting, investments, reinsurance, accounting and the IT area. If the internal control system is not audited together with these topics, as a whole it must be considered a material company area and audited annually. This multi-year plan also flows into the annual audit plan. The local internal audit department also audits significant anomalies which cannot initially be explained during the year – independent of the planning – if such anomalies arise during the analysis of the company's data. The audit plan must also include the governance system.

The available resources, relevant national legislation and any recommendations of the financial statement auditor or the Group Internal Audit department are taken into consideration during the audit planning. The proposal for the annual audit plan prepared by the local internal audit department is agreed with the Group Internal Audit department in advance in a timely manner. Any changes are announced without delay during the year.

B.6 ACTUARIAL FUNCTION

The Actuarial function (AF) performs the main duties and responsibilities described in section B.1. on governance functions. It implements these in cooperation and through communication with other areas and functions.

An internal data request as well as a data and calculation process have been established to calculate the technical provisions for VIG Holding.

Companies that cede reinsurance to VIG Holding, the Reinsurance department of VIG Holding and VIG Accounting are the data sources for the indirect business of VIG Holding. With respect to the direct business of VIG Holding, data is supplied by the corporate and large customer business of VIG Holding.

Additionally a wide exchange of expertise and relevant information for the assessment of technical provisions takes place. In this regard, the Actuarial function actively communicates with its peer departments of the individual companies (actuarial, claims, reinsurance and accounting departments).

With regard to the calculation of the SCR and the MCR, the AF communicates with the Risk Management function, as the technical provisions are input data for the risk calculation with the PIM and the standard formula.

The policy towards risk is consistent with VIG Insurance Group strategy and does not result in additional material risk in VIG Holding. The reinsurance is consistent with the VIG Insurance Group strategy and also does not result in additional material risk in VIG Holding. In particular, a high proportion of direct business is reinsured. The observed loss history supports the assumption that the underwriting and reinsurance policies are complied with and that the reinsurance is set at an appropriate level.

In order to document their activities and to pass on information directly to the Managing Board and Supervisory Board, the AF submits an annual report to the Managing Board. The report contains a summary of the results of the above-mentioned activities. It primarily provides an overview of the overall situation of VIG Holding and any measures and recommendations of the AF.

B.7 OUTSOURCING

A VIG Holding outsourcing policy was established for VIG Holding that implements the Group-wide minimum standards for outsourcing business activities and functions in the Group Outsourcing Policy for VIG Holding.

The VIG Holding outsourcing policy defines a clear process for outsourcing. The outsourcing officers who must be appointed for all outsourcings are responsible for compliance with this policy. They also ensure that legal and regulatory requirements are satisfied when outsourcing. The outsourcing process defined in the VIG Holding policy distinguishes between critical or important outsourcings and other outsourcings.

In all cases, before concluding an outsourcing agreement, the activity to be outsourced must be appropriately assessed. In particular, a review must be carried out to determine whether the function or activity to be outsourced is to be categorised as critical or important and whether suitable organisational control structures and intervention options are available to be able to manage the activities in connection with the outsourcing. The risks associated with the outsourcing must also be identified and evaluated. Service providers must be selected with due care and free from interests that are not relevant to the matter at hand. For critical or important outsourcings, particularly strict regulations apply. For each outsourcing, a relevant outsourcing agreement must be concluded. The VIG Holding outsourcing policy contains detailed requirements for the minimum content, in particular for critical or important outsourcings. The process for notification of and approval by the FMA, which applies in the case of critical or important outsourcings, is also regulated. After concluding an outsourcing agreement, it must be ensured that the activity or function is handed over to the service provider according to plan and in a structured way and that the risks associated with the outsourcing are appropriately entered in the internal control system. The respective outsourcing officer must also ensure continuous monitoring of compliance with the outsourcing agreement and corresponding central documentation. Finally, appropriate controls and reports must be agreed with the service provider and examined using appropriate criteria.

CRITICAL OR IMPORTANT FUNCTIONS AND ACTIVITIES

For VIG Holding, it was decided to outsource IT services to internal and external IT service providers. In 2023, there were outsourcing agreements approved by the supervisory authorities with IBM Austria (Internationale Büromaschinen Gesellschaft m.b.H.), the internal Group IT system provider twinformatics GmbH and VIG IT-Digital Solutions GmbH ("VIG IT-DS"), each based in Austria.

VIG IT-DS was founded by VIG Holding in order to focus even more strongly on IT services to be provided throughout the Group and to have these services provided by a company that focuses on this area. The outsourcing agreement concluded with VIG IT-DS has been in place since 1 January 2023 and transfers final responsibility for all VIG solutions (SAP NewGL, IFRS 9/17, Readsoft and some smaller supporting applications) to VIG IT-DS (with twinformatics as the main sub-service provider). twinformatics GmbH has overall responsibility for all IT services for the Austrian VIG insurance companies (with the exception of the services transferred to VIG IT-DS) and concludes any necessary sub-outsourcing agreements in accordance with legal and regulatory requirements and after consultation with the VIG insurance companies. The outsourcing agreement with IBM Austria ended on 28 February 2023.

In addition to these outsourcing agreements, VIG Holding has not outsourced any critical or important functions or business activities.

B.8 ANY OTHER INFORMATION

No other information on the governance system is to be reported in the reporting period.

C. Risk profile

The risk profile of VIG Holding is divided into ten main risk categories, which are shown in the table below and compared with the SFCR risk structure in accordance with Article 295 of Delegated Regulation 2015/35.

Risk profile SFCR structure	Risk profile VIG Holding
C.1 Underwriting risk	Life underwriting risk Non-life underwriting risk Health underwriting risk
C.2 Market risk	Market risk
C.3 Credit risk	Counterparty default risk
C.4 Liquidity risk	Liquidity risk
C.5 Operational risk	Operational risk
C.6 Other material risks	Intangible assets risk Strategic risk Reputation risk

The following sections describe the risk profile in accordance with the SFCR structure. The risk exposure, risk concentration, risk mitigation and risk sensitivity are detailed for each risk.

The risks in the individual categories of the risk profile are assessed quantitatively and/or qualitatively. The quantitative assessment using the standard calculation approach (standard formula) prescribed by Solvency II is only carried out in those areas for which a previous adequacy test has confirmed the validity of the standard formula.

For the areas of non-life and property (as part of the market risk), the standard formula significantly overestimates VIG Holding's risk. For this reason, the Solvency Capital Requirement for these areas is calculated using the PIM, which has been approved by the FMA.

Implementation of the prudent person principle
Solvency II in general and the prudent person principle in particular require the company to take a high level of direct responsibility when investing. VIG Holding has always used a conservative approach for its investments. The supervisory requirements which are now applicable are a confirmation of the policy chosen by the company.

The assessment of investment risks in a constantly changing regulatory environment requires a correspondingly high level of expertise within the individual companies of the Group and VIG Holding as a central control unit. Trained personnel and the necessary professional infrastructure are essential to meet these requirements. VIG Insurance Group has expressly committed to meeting these requirements and has contributed to their fulfilment by, for example, implementing a standardised software to manage and assess risks associated with significant investment portfolios.

The key principles of commercial prudence are defined in the internal guidelines, which apply to all insurance companies in VIG Insurance Group.

The asset management of investments is embedded in a multistage process. The primary objective of managing investments is to comply with the insurance obligations on a sustainable basis. When investing, the liabilities portfolios are taken into account on a company level.

Special purpose vehicles and off-balance sheet items
VIG Holding does not use special purpose vehicles (SPVs). Therefore there is no risk exposure resulting from risk transfers to special purpose vehicles. In addition, there are no material risk exposures resulting from off-balance sheet items.

C.1 UNDERWRITING RISK

Under Solvency II, the underwriting risks of insurance companies are divided into life insurance, non-life insurance and health insurance (including accident insurance). This categorisation differs from the familiar UGB categorisation in that, under UGB, the accident line of business is assigned to property and thus to non-life.

LIFE UNDERWRITING RISK

In addition to demographic risks, life underwriting risk also includes negative effects due to changes in cancellation behaviour and cost risks and covers the following sub-modules: mortality, longevity, disability, costs, revision and cancellation as well as disaster risk.

Risk exposure
VIG Holding conducts proportional reinsurance business in the area of health insurance not similar to life techniques (NSLT). Some of this business includes riders for life insurance. These riders are allocated to the life segment due to their connection with the underlying life insurance policy. Another part of VIG Holding's life risk is due to annuity obligations arising from assumed proportional reinsurance business in the motor third party liability line of business.

VIG Holding's life underwriting risk was TEUR 5,225 as of 31 December 2023 (31 December 2022: TEUR 5,044).

Risk category	Risk value
Life risk (after diversification effects)	5,225
Mortality risk	3
Longevity risk	0
Disability - morbidity risk	0
Expense risk	0
Revision risk	0
Lapse risk	5,224
Catastrophe risk	2

Life underwriting risk is of minor importance for VIG Holding and continues to be at a very low level as of 31 December 2023.

Risk concentration
VIG Holding is not exposed to any risk concentration in life insurance, as this is of minor importance.

Risk mitigation
Risk mitigation takes place within the network of subsidiaries. No additional specific risk mitigation is necessary at the level of VIG Holding.

Risk sensitivity
Due to the minor importance of the life underwriting risk for the risk profile of VIG Holding, no stress tests or sensitivity analyses were carried out.

NON-LIFE UNDERWRITING RISK

Non-life underwriting risk is the risk of insured losses and costs exceeding income. It essentially consists of the following components:

- Risk of extreme loss events, particularly natural catastrophes
- Risk from unprofitable contracts due to inadequate premium pricing
- Risk from already incurred but insufficiently known or reserved claims
- Lapse risk (decrease of the profit contribution caused by a significant discontinuance of insurance policies)
- Expense risk

Risk exposure
Quantitative risk assessment is performed using an internal model, as the requirements and assumptions of the standard formula do not adequately reflect the risk profile of VIG Holding in the non-life area.

VIG Holding's non-life underwriting risk was TEUR 281,847 as of 31 December 2023 (31 December 2022: TEUR 285,720).

Risk category	Risk value
Non-life risk (after diversification effects)	281,847

Compared to the previous year, there was a slight reduction in the non-life underwriting risk of TEUR 3,873 (1.4%), which is attributable to the effects of a major model change (expansion of the model scope in Poland, change of methodology for reserve risk and a number of smaller model changes). The effect of the model change is largely cushioned by strong growth in the direct business.

Risk concentration
The acceptance of proportional reinsurance for motor third party liability business from subsidiary companies results in a correspondingly high volume in this line of business for VIG Holding. However, this does not lead to a concentration risk, as the insurance portfolio is very well geographically diversified across Central and Eastern Europe. Moreover, the direct insurance business, particularly in the field of fire and other property, as well as the proportional reinsurance business in the field of NSLT health insurance (= accident insurance) additionally results in a good diversification between lines of business.

Risk mitigation
VIG Holding has pursued a conservative reinsurance concept for many years and sees risk transfer through reinsurance in the non-life area, particularly in the area of natural disasters, as a key risk mitigation technique to protect against major and catastrophic events and any fluctuations in the balance sheet. The reinsurance strategy is characterised by a conservative retention policy as well as the targeted selection and accompanying review of reinsurers. VIG Holding bases its selection on a security list defined by the Reinsurance Security Committee (see section B.1). Reinsurers that are not on this list require individual approval by the Reinsurance Security Committee.

Risk is also mitigated in the area of reinsurance through diversification.

Risk sensitivities
In order to analyse how sensitively the non-life underwriting risk of VIG Holding responds to changes in the input parameters, sensitivities are calculated for the material risks. For this purpose, the effects of individual internal and external factors on VIG Insurance Group's SCR ratio (for more information on the SCR ratio see section E.2) must be assessed.

The following stress tests were performed to assess the sensitivity to changes in the market environment:

- 5% increase in the claims frequency (excluding catastrophe claims) in all lines of business
- 5% increase in the average loss (excluding catastrophe claims) in all lines of business
- Increased correlation of the number of claims between lines of business (+25% per correlation coefficient)
- Increased correlation of claim reserves between lines of business (+25% per correlation coefficient)

Of the sensitivities analysed in the non-life underwriting risk, the increase in the average loss has the most significant effect. In this case, the SCR ratio of VIG Holding decreases from 398.3% to 397.3%. Due to the good capital base and low capital requirement in the non-life area in comparison to the market risk, none of the calculated sensitivities indicate any potential danger to the solvency of VIG Holding.

Sensitivities – non-life	Own funds	SCR	SCR ratio
ACTUAL 31/12/2023	**10,363,273**	**2,601,759**	**398.3%**
Increase in claims frequency +5%	10,361,962	2,607,734	397.4%
Δ absolute	-1,311	5,975	-1.0%
Δ relative	0.0%	0.2%	-
Increase in average loss +5%	10,361,951	2,608,052	397.3%
Δ absolute	-1,322	6,293	-1.0%
Δ relative	0.0%	0.2%	-
Increase in correlation of number of claims +25%	10,363,273	2,603,585	398.0%
Δ absolute	0	1,826	-0.3%
Δ relative	0.0%	0.1%	-
Increase in correlation of claim reserves +25%	10,363,273	2,604,856	397.8%
Δ absolute	0	3,097	-0.5%
Δ relative	0.0%	0.1%	-

HEALTH UNDERWRITING RISK, INCLUDING ACCIDENT

Health underwriting risk is broken down into health underwriting risk by type of non-life insurance and by type of life insurance, depending on the structure of the contract. The underwriting risk by type of non-life insurance is calculated with the partial internal model, as the assumptions established in the standard formula do not adequately reflect the risk profile of VIG Holding in the non-life area. The underwriting risk by type of life insurance is not relevant for VIG Holding and health catastrophe risk is calculated using the standard formula.

Risk exposure
The health underwriting risk was TEUR 26,448 as of 31 December 2023 (31 December 2022: TEUR 47,301).

Risk category	Risk value
Health insurance in total (after diversification effects)	26,448
SLT health (health insurance) (after diversification effects)	0
NSLT health (accident insurance) (after diversification effects)	25,659
Health catastrophe risk (after diversification effects)	2,653

Compared to the previous year, there was a significant reduction in the health underwriting risk of TEUR 20,853 (44.1%), which is attributable to the effects of a major model change (expansion of the model scope in Poland, change of methodology for reserve risk and a number of smaller model changes) in the area of NSLT health insurance.

NSLT HEALTH (ACCIDENT INSURANCE)

The health underwriting risk by type of non-life insurance corresponds to the accident insurance underwritten through reinsurance and includes the traditional non-life underwriting risks. Losses can arise, for example, from accumulation events that include a large number of fatalities and injuries but are appropriately reinsured.

CATASTROPHE RISK

Three different catastrophe scenarios are considered for health catastrophe risk: mass accident, accident concentration and pandemic. The risk is adequately reinsured and is of minor importance due to its low materiality.

Risk concentration
The health underwriting risk is predominantly concentrated in the Austrian companies, which is reflected by the proportional reinsurance accepted by VIG Holding. This risk is of minor importance.

Risk mitigation
Similar to the non-life sector, the mitigation measures mentioned above were also used here for risk mitigation. Almost all of the catastrophe risk is reinsured. As mentioned above, the health underwriting risk is of minor importance overall.

Risk sensitivity
Due to the minor importance of health underwriting risk for the risk profile of VIG Holding, no additional stress tests or sensitivity analyses were carried out.

C.2 MARKET RISK

Market risk describes the risk of losses due to changes in market prices. Fluctuations in interest rates, share prices and exchange rates and changes in the market value of real estate and participations can have a negative effect on the value of investments and liabilities.

Risk exposure
With the exception of property risk, the level of market risk is determined quantitatively using the Solvency II standard formula and calculated on the basis of changes in financial parameters such as share prices, exchange rates, interest rates and spreads.

As the requirements and assumptions of the standard formula do not adequately reflect the risk profile of VIG Holding in this area (see the section on the property partial internal model), the PIM is used for the risk calculation for property risk.

Based on the partial internal model, the market risk for VIG Holding was TEUR 2,534,714 as of 31 December 2023 (31 December 2022: TEUR 2,436,444).

Risk category	Risk value
Market risk (after diversification effects)	2,534,714
Interest rate risk	92,467
Equity risk	2,140,519
Property risk	59,144
Spread risk	78,534
Concentration risk	87,864
Currency risk	636,525

VIG Holding's risk exposure increased by TEUR 71,271 (2.9%) compared to the previous year. The increase is due to the performance of participations.

As expected, the market risk continues to be the greatest risk for VIG Holding. An analysis of the individual sub-modules of market risk shows that the equity and investment risk and currency risk are the greatest individual risks for VIG Insurance Group, as would be expected for a holding company with participations outside the Eurozone.

The interest rate risk results from all assets and liabilities whose value depends on changes in the yield curve or the volatility of interest rates.

The equity risk stems from the level or volatility of the market prices. The amount of equity and investment risk depends on all of the assets and liabilities whose values are subject to changes in equity prices.

The equity risk is by far the highest individual risk for VIG Holding. This reflects the importance of participations in insurance companies in the VIG Holding portfolio. In the equity risk calculation, a distinction is made within the equity portfolio between type 1 equities (those listed on regulated markets within the EEA or OECD) and type 2 equities (all other equities). The portfolio of participations in insurance companies consists exclusively of strategic participations which are assessed separately from the classification into type 1 or type 2 equities.

The property risk consists of the potential loss in the value of real estate. In the view of VIG Holding, the assumptions of the standard formula concerning the volatility of real estate prices are not appropriate, since the geographic specifics of the real estate portfolio, in particular the Austrian real estate market, are not considered in the standard formula. For this reason, VIG Holding relies on a partial internal model to calculate property risk.

The spread risk results from all assets and liabilities whose value depends on changes in the level or volatility of credit spreads over the risk-free yield curve. This also takes into account the default risk of financial instruments. The main factors determining the level of the spread risk are the average duration and the rating of the respective investment. Liabilities of EEA member states and certain supranational institutions, such as the ECB, EIB and EFSF, are considered risk-free if they are issued in their own currency.

The currency risk stems from all assets and liabilities whose value depends on changes in exchange rates. The currency risk is the second largest individual risk for VIG Holding. The size is due to the fact that material participations are held in insurance companies outside the Eurozone, in particular in the Czech Republic and Poland.

Risk concentration

The concentration risk comprises those risks that are either caused by a lack of diversification within the investment portfolio or by a high exposure to the default risk of an individual securities issuer or a group of related issuers. Concentration risk includes investments that are taken into account in the equity and investment risk, the spread risk and the property risk. The investments that are included in the counterparty default risk calculation scope are not taken into account in the concentration risk.

A concentration risk exists in connection with the strategic partnership with Erste Group and is consciously accepted by VIG Insurance Group. Exposure is regularly assessed and monitored through the established risk management processes.

Risk mitigation
As the parent company of an international insurance group, VIG Holding is naturally exposed to equity and currency risk. The equity risk essentially results from the participations in the subsidiaries. These are all strategic in nature and short-term market fluctuations are therefore of minor importance and are consciously accepted.

Derivative financial instruments are used only to hedge dividend payments from the largest participations in insurance companies outside the Eurozone. When using these instruments, attention is paid to the selection of contractual partners.

Risk sensitivity
Since this mainly involves market risk from strategic participations, no sensitivities have been determined.

C.3 CREDIT RISK

The counterparty default risk is the risk of a loss or a disadvantageous change in the value of assets and financial instruments resulting from an unexpected default of a counterparty or debtor. A credit risk exists in both the investments, such as bonds, loans and deposits, as well as in other receivables and cash deposits with banks.

VIG Holding uses the standard formula's risk classification. Therefore the following credit risk section deals exclusively with positions which are treated within the standard formula in counterparty default risk. The credit risk arising from investments is reflected under market risk and in particular the spread risk, which takes into account the credit risk of these positions.

Risk exposure
For the determination of the risk-mitigating effect of reinsurance contracts, which is relevant for the calculation of the counterparty default risk, the simplification in accordance with Article 107 of the Delegated Regulation (EU) 2015/35 was applied.

VIG Holding's counterparty default risk was TEUR 102,229 as of 31 December 2023.

Counterparty default risk	Risk value
Total counterparty default risk (after diversification effects)	102,229
Counterparty default risk on type 1 exposures	37,401
Counterparty default risk on type 2 exposures	71,140

Compared to the previous year, there was a decrease in counterparty default risk of TEUR 25,680 (20.1%), which is attributable to the decrease in cash in banks.

The counterparty default risk on type 1 exposures is the risk arising from products or obligations of generally insufficiently diversified, usually rated counterparties. These products or obligations include risk mitigation instruments (e.g. reinsurance contracts), cash deposits and fixed-term deposits with financial institutions and other financial obligations.

The counterparty default risk on type 2 exposures is the risk arising from obligations of generally diversified but usually unrated counterparties. The counterparty default risk on type 2 exposures therefore includes all obligations that are recognised in the counterparty default risk and are not included in either the spread risk or the counterparty default risk on type 1 exposures. Examples include receivables from insurance intermediaries and policy holders as well as mortgage loans.

Risk concentration
Counterparty default risk plays a minor role for VIG Holding in terms of its amount. There is no significant concentration of receivables from a single counterparty.

Risk mitigation
VIG Holding has appropriate procedures and controls in place to reduce the risk arising from receivables from counterparties. In addition to the monitoring of the bank and reinsurer rating changes and the preparation of internal bank ratings, this includes measures such as a well-coordinated reinsurance programme, cooperation with renowned brokers in the large customer business, a large number of sales partners, and accounting and underwriting guidelines applicable throughout the Group. VIG Holding also uses many measures to limit the counterparty default risk with respect to policy holders. These include reminders, cooperation with collection companies and contract termination in the case of overdue payments. In addition, insurance protection is generally not applied or is reduced in the case of unpaid premiums payments.

Risk sensitivity
Due to the minor importance of counterparty default risk for the risk profile, no separate stress tests or sensitivity analyses were carried out.

C.4 LIQUIDITY RISK

The liquidity risk is the risk arising from the lack of marketability of investments in order to meet current short-term or long-term obligations. This includes, for example, losses arising due to asset-liability mismatches.

Risk exposure
The liquidity risk is not explicitly covered by the standard formula, which is why the risk exposure is assessed qualitatively. The liquidity risk of the company is also considered *low* in light of the measures described below.

Risk concentration
There is no significant risk concentration with respect to the liquidity risk.

Risk mitigation
To minimise the liquidity risk, regular analyses of investments and obligations are carried out by VIG Holding's Liquidity Committee and Asset-Liability Management Committee. These analyses, together with clear investment requirements (limit systems) and a conservative investment policy, help to appropriately manage liquidity risk.

The Group Treasury & Capital Management department performs regular monitoring of cash flows and reports monthly on liquidity changes in the Liquidity Committee.

Risk sensitivity
Due to the existing ongoing monitoring of the liquidity requirement and the associated assessment of the liquidity risk as low, no separate stress tests or sensitivity analyses were carried out.

Expected profit included in future premiums
The total amount of the expected profit in future premiums (EPIFP) was TEUR 68,527 as of 31 December 2023.

C.5 OPERATIONAL RISK

Operational risk describes the risk of losses in connection with business operations. These are caused by faulty internal processes, inadequate controls, incorrect estimates or faulty models. Examples of operational risks are fraud by third parties, failure of IT systems and human error.

Risk exposure
The operational risk is calculated using the standard formula on the basis of gross written premiums and technical provisions compared to the previous year.

As of 31 December 2023, the following value for the operational risk of VIG Holding was calculated using the standard formula:

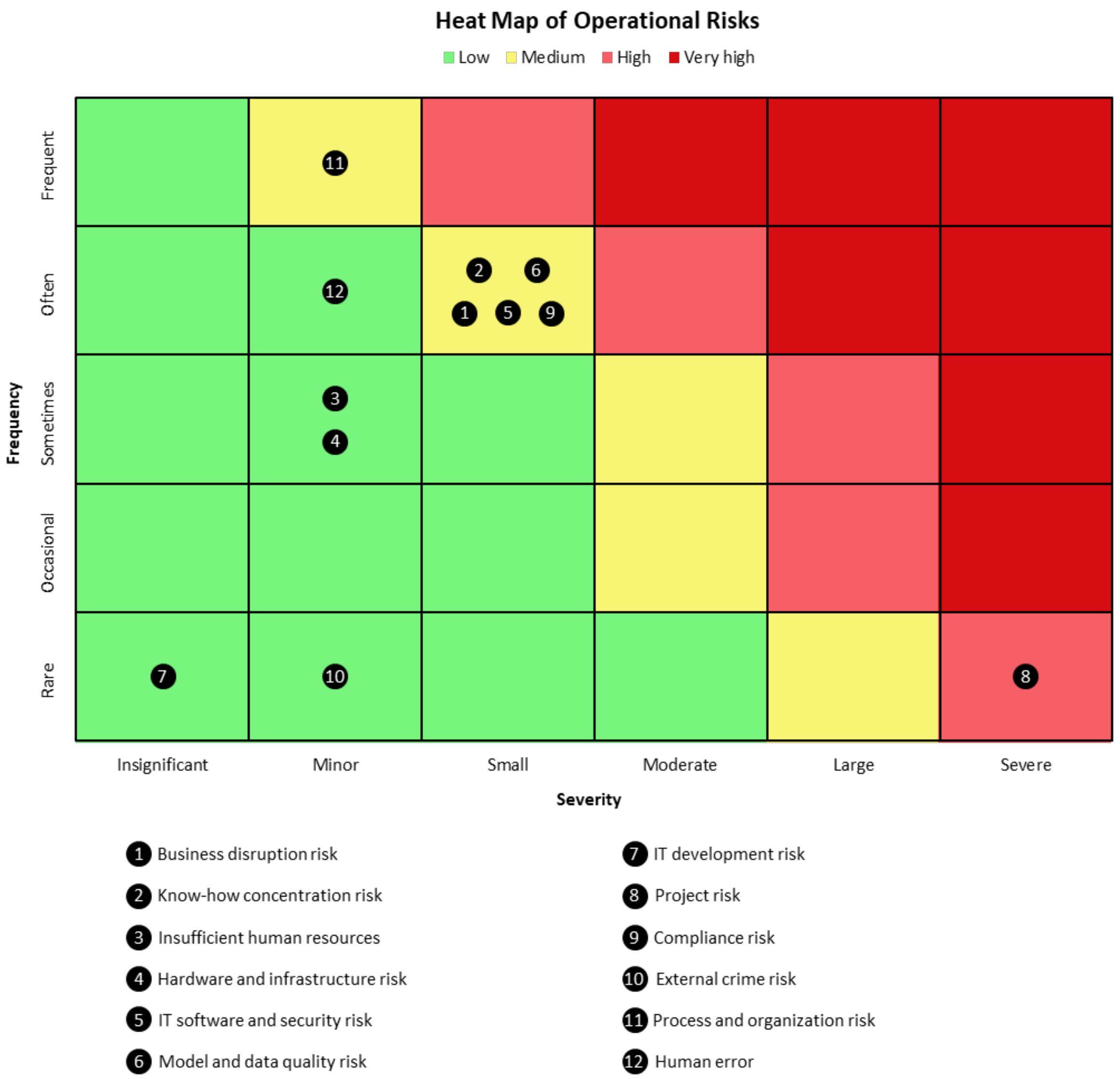
Risk category	Risk value
Operational risk	51,760

Using the standard formula, the operational risk increased by TEUR 4,888.6 (10.4%) compared to the previous year. The change is due to the increase in technical provisions.

As no risk management measures can be derived for the company's specific operational risks using the standard formula, VIG Holding records the operational risk using the ICS (see section B.4). All relevant operational risks, risks specific to the annual financial statements and compliance risks are recorded for each area of the company and assessed by the risk owners according to the existing controls using a severity/frequency analysis. The individual risks, including their assessment, are then summarised in 12 risk categories and visualised and analysed using a heat map.

This makes it clear that the project risk continues to be the largest risk for VIG Holding. Despite the successful implementation of IFRS 17 and IFRS 9 and the completion of the respective project in the previous year, the project risk is still considered to be *high* due to the current introduction of DORA/Cyber Defense Center (CDC) and the new ESG system developments in the Group. Steering committees established specifically for these projects and the project governance serve to reduce the probability of project risks materialising.

Accordingly, there were no significant changes in the measurement of the project risk or in the other operational risk categories compared to the previous year.



Risk concentration
There is no significant risk concentration with respect to the operational risk.

Risk mitigation
In order to monitor operational risks, VIG Holding has an adequate internal control system which contributes to the mitigation of existing risks and ensures continuous risk monitoring.

Risk sensitivity
No separate stress tests or sensitivity analyses were carried out for the operational risk.

C.6 OTHER MATERIAL RISKS

As part of its analysis of its own risk profile, VIG Holding has identified further material risks. These include the intangible asset risk, strategic risk and reputation risk.

STRATEGIC RISK

Strategic risk includes unfavourable business performance as a result of incorrect business and investment decisions, poor communication and implementation of corporate goals and a company's inability to adapt to the economic environment. Conflicting business objectives are also a strategic risk. The strategic risk is not explicitly covered by the standard formula.

Risk exposure
Investments in participations play a major role in VIG Holding's strategic risk. The extensive exchange of information between management and the functional departments of VIG Holding will ensure that risks and opportunities are adequately analysed and well-founded decisions are taken on this basis before investments are made. VIG Insurance Group's decentralised organisation, based on its multi-brand policy and multi-channel distribution, has a risk-reducing effect in this connection (diversification).

Comprehensive, reliable information is needed to make sound strategic decisions. VIG Insurance Group has many experts who provide the Managing Board and the management of the local companies with in-depth analyses to help them in their decision-making. The clear communication of the company's objectives ensures that the business decisions taken are implemented across the Group. Members of the VIG Holding Managing Board also hold positions on VIG insurance company Supervisory Boards in order to ensure local implementation of Group objectives. The pursuit of the multi-branding strategy, combined with the high degree of autonomy of the local companies, ensures that strategic risk is strongly diversified.

VIG Insurance Group makes use of the potential in the countries of Central and Eastern Europe (CEE). While the economic catch-up process lost significant momentum during the financial crisis, the Group is still convinced of the long-term potential of these markets. The balanced position in mature and growth-oriented markets will ensure the long-term success of the company in coming years. Despite a generally good strategic orientation, companies in these countries may also experience adverse business development due to political tensions or changes in the law.

The "VIG 25" strategic programme addresses the current strategic challenges. VIG 25 defines three strategic priorities and uses targeted activities aimed at optimising, expanding and extending the business model to ensure greater efficiency and customer proximity and more value creation.

The significant increase in inflation in the year just ended and exit from the low interest rate phase with sudden increases in the interest rate environment, as well as the developments in the war situation in Ukraine, currently present the biggest challenges for insurance companies and groups.

Taking into account the above factors, the strategic measures that were implemented and the current geopolitical environment, VIG Holding has a *medium* level of strategic risk.

Risk concentration
There are no significant risk concentrations within VIG Holding with regard to strategic risk.

Risk mitigation
The clear communication of the company's strategy and objectives ensures that the business decisions taken are implemented across the Group. Giving Managing Board members and 2nd level managers positions in the supervisory boards of the subsidiaries ensures that the Group's objectives are implemented locally. The pursuit of the multi-branding strategy, combined with the high degree of autonomy of the local companies, ensures that strategic risk is diversified.

Risk sensitivity
No specific stress tests or sensitivity analyses were carried out due to the existing comprehensive measures for mitigating risk.

REPUTATION RISK

Reputation risk is the risk of negative changes in business due to damage to a company's reputation or that of its brands. Reputational damage can shake the confidence of customers, investors or the company's own employees in the business and consequently lead to financial losses. Causes include incorrect advice when selling products, poor customer service, misinformation to investors, negative media coverage, particularly in connection with sustainability or other non-financial risks, and reputational damage that spreads from one company to another. The reputation risk is not explicitly covered by the standard formula.

Risk exposure
VIG Holding's duties primarily focus on the strategic management of VIG Insurance Group. Indeed, as a result of the multi-brand strategy pursued within VIG Insurance Group, reputation losses and associated economic losses are generally limited to a single location. Due to the size of the insurance group and the rapid spread of information enabled by existing information technology, which is exacerbated by a complex regulatory system, the risk that reputation losses of individual companies spread to other companies is classified as *medium*.

Risk concentration
There are no significant risk concentrations with regard to the reputation risk.

Risk mitigation
Whether employees are of good reputation and integrity (proper) is already taken into account when they are hired. In particular, special training is provided for employees in sales and employees who act as company representatives. Furthermore, the Code of Business Ethics provides clear rules of conduct that must be followed by all employees. In addition to these staff-related measures, the company's risk-mitigating measures also include investing in advertisement in order to attract new customers and to ensure the long-term loyalty of existing customers to the company, a professional complaint management system to deal with customer matters, and a strong social and cultural commitment (e.g. the Social Active Day, events, sponsorship of art and culture).

Furthermore, the Investor Relations and CO³ departments are responsible for a clear external communication in order to provide information for investors and make statements on the media coverage.

Risk sensitivity
Due to the minor importance of reputation risk for the risk profile, no separate stress tests or sensitivity analyses were carried out.

INTANGIBLE ASSET RISK

Intangible asset risk reflects the risk of a loss or adverse change in the value of intangible assets.

Risk exposure
Intangible assets had a value of TEUR 22,628 as of 31 December 2023 based on UGB accounting principles (31 December 2022: TEUR 24,184). VIG Holding follows a conservative approach by reporting intangible assets with a value of zero in the economic balance sheet. VIG Holding therefore has no Solvency Capital Requirement for this area.

Risk concentration
There is no risk concentration for intangible asset risk in VIG Holding.

Risk mitigation
Intangible assets are periodically tested for impairment. No further risk mitigation measures are needed.

Risk sensitivity
Due to the minor importance of intangible asset risk for the risk profile of VIG Holding, no separate stress tests or sensitivity analyses were carried out.

C.7 ANY OTHER INFORMATION

The following additional topics were or are important for the risk profile of VIG Holding or VIG Insurance Group during the financial year just ended and the beginning of 2023 (after the balance sheet date) and are therefore briefly discussed below.

RISKS IN CONNECTION WITH THE GEOPOLITICAL SITUATION AND THE CURRENT MACROECONOMIC ENVIRONMENT

Despite the ongoing war of aggression in Ukraine, the overall economic situation calmed down in the year under review. However, there was a latent potential threat to the macroeconomy due to the conflict over Taiwan, which was exacerbated by the terrorist attack on Israel in October and the subsequent escalation in the Middle East.

Inflation slowed significantly in almost all markets in which VIG operates, but nevertheless remained at a high level. The future development of the financial markets and the economy in general continues to be characterised by a high level of uncertainty, making this one of the most significant risks for VIG.

HANDLING OF SUSTAINABILITY RISKS

Sustainability risks are both risks to which the company is exposed (outside-in perspective) and risks that have a potential negative impact on society or the environment due to VIG's business activities (inside-out perspective). These risks have always been implicitly or, in some cases, explicitly taken into account as part of risk management.

In order to ensure a structured approach to identifying sustainability risks in the Group and to adequately reflect both perspectives, a Group-wide risk catalogue has also been created explicitly with regard to sustainability risks, taking into account the guidelines of the Austrian Financial Market Authority on dealing with sustainability risks. The VIG insurance companies regularly review this risk catalogue for completeness as part of a standardised Group risk management process and supplement it if necessary. The catalogue therefore also forms the basis for the consideration of sustainability risks within the existing risk management processes for assessing, analysing and managing the Group's risks. In addition, the handling of sustainability risks within risk management was also explicitly addressed in the internal (risk management) guidelines.

In the year under review, the sustainability risks relevant to the Group were again identified and assessed in the individual VIG insurance companies and at the insurance Group level based on the risk profile described above. The results were recorded in the Group ORSA report. Overall, the analysis showed that VIG's sustainability risks are currently mainly at a low to medium level. However, it is expected that these risks will continue to become more relevant, not least due to the increasing importance of this topic. The process described above for the Group-wide identification and assessment of sustainability risks will be significantly expanded as part of the preparations for the new reporting obligations under the ESRS (European Sustainability Reporting Standards).

REGULATORY FRAMEWORK

VIG Insurance Group is subject to (insurance) regulatory requirements in Austria and abroad. These requirements govern, among other things:

- the capital adequacy of insurance companies and insurance groups,
- the admissibility of investments to secure technical provisions,
- licences of the various insurance companies in the VIG Insurance Group,
- marketing activities and the sale of insurance contracts, and
- policyholder cancellation rights.

Changes to the legal framework may require reorganisation and thus result in increased costs. Different or retroactively different interpretations of legal texts may also result in increased organisational effort and thus higher costs.

RISKS FROM ACQUISITIONS AND MERGERS

In the past, VIG Holding has directly and indirectly acquired a number of companies in Central and Eastern Europe or acquired participations in them. Mergers of subsidiaries are considered if the resulting synergy effects are greater than the advantages of a diversified market presence.

Acquisitions and mergers often entail challenges in terms of corporate management, organisation, processes and financing, such as:

- the need to integrate the infrastructure of the acquired or merging company, including management information systems and systems for risk management and controlling,
- the regulation of open legal or regulatory issues and the associated legal and compliance risks arising from the acquisition or merger,
- the integration of marketing, customer service and product offerings,
- the integration of different corporate and management cultures, and
- the harmonisation of business and reporting processes and the consideration of Group requirements.

D. Valuation for solvency purposes

This section deals with the valuation of assets and liabilities for the purpose of assessing the solvency position in accordance with the insurance regulatory regime Solvency II.

In addition to the balance sheet complying with the Austrian Commercial Code (UGB), an economic balance sheet has to be prepared. The economic balance sheet should include a market-consistent valuation of all assets and liabilities. Market-consistent valuation is used to determine the amount of own funds the Group has available to cover the Solvency Capital Requirement.

D.1 ASSETS

Investments are an important part of the asset side of the balance sheet and represent the insurance company's capital market investments. In accordance with Solvency II, these are generally recognised at the customary market value or fair value that can be achieved in an arm's length transaction.

The following table shows the assets of VIG Holding based on market values in comparison to the UGB values:

Assets	Solvency II	UGB	Difference
Intangible assets	0	22,628	-22,628
Deferred tax assets	110,817	0	110,817
Property, plant and equipment held for own use	86,976	25,698	61,279
Investments (other than assets held for index-linked and unit-linked policies)	11,349,681	6,292,458	5,057,224
Property (other than for own use)	566,696	152,942	413,754
Holdings in related undertakings, including participations	9,873,301	5,229,848	4,643,452
Equities	0	0	0
Bonds	550,002	551,868	-1,866
Collective investments undertakings	6,133	5,937	196
Derivatives	1,176	0	1,176
Deposits other than cash equivalents	352,373	351,863	510
Assets held for index-linked and unit-linked contracts	0	0	0
Loans and mortgages	171,542	157,320	14,222
Reinsurance recoverables	233,081	243,506	-10,424
Insurance and intermediaries receivables	283,162	115,934	167,228
Deposit to cedants	839,874	839,874	0
Other receivables, Cash and cash equivalents and other assets	666,241	847,442	-181,201
TOTAL	13,741,376	8,544,859	5,196,517

Intangible assets are not recognised in the economic balance sheet, as the criteria for recognition are not met.

Property, plant and equipment held for own use are recognised in the economic balance sheet at fair value, which also serves as the basis for the real estate PIM. The fair value is determined by certified experts on a regular basis. Starting 1 January 2019, the requirements of IFRS 16 were taken into account when determining the fair values of the lease agreements included.

Under UGB, real estate or land (for own and third party use) is valued at cost, and buildings at cost less depreciation and any write-downs.

In accordance with Article 10 of Delegated Regulation (EU) 2015/35, the following valuation hierarchy is applied to investments in calculating the Solvency II valuation:

First, the current market price or stock exchange price, if available, is used. If there is no active market, the fair value is determined by comparison with financial instruments as comparable as possible for which a market price on an active market exists.

For this purpose, the following options are available:

- Mark-to-market:
  The comparable financial instrument is listed on an active market (market price).

  A market is considered to be an active market if an adequate volume of transactions for identical or similar assets or groups of assets take place at an adequate frequency to make price information continuously available.

- Mark-to-model:
  The investments can be valued reliably and consistently using recognised valuation models. As a rule, several present value methods are used. That is, future cash flows are discounted to the valuation day with an appropriate yield curve. The spreads depend on the type of security and its rating. Ratings are available from certified rating agencies, and the second-best rating is used. Collateral and guarantees are taken into account when determining internal ratings for bonds. If this is not possible, the investments are classified as "not rated". The input parameters for the models used for valuing securities are generally observable on the market and are available via the applicable data providers.

If no benchmark value can be used, there is the option of carrying out the valuation on the basis of amortised cost and alternative valuation methods.

Apart from insurance or reinsurance companies, **Holdings in related undertakings, including participations**, are valued using the Solvency II valuation hierarchy.

VIG Holding's participations in insurance and reinsurance companies are valued using the adjusted equity method applying the valuation hierarchy specified in Article 13 of Delegated Regulation (EU) 2015/35. Since the shares of the participations in insurance or reinsurance companies are not listed on an active market, they are recognised using the share of their Solvency II own funds (excluding subordinated liabilities). Any own funds effects resulting from potential use of the volatility adjustment or transitional measures were taken into account for each company during valuation.

Bonds and equities are valued at fair value, usually on the basis of quoted prices or mark-to-model prices. Individual structured bonds, which were mostly issued in the form of private placements and are therefore not traded on a liquid market, were valued using suitable models (e.g. Black 76, Libor Market Model, etc.).

Under UGB, shares and other non-fixed-income securities and shares in affiliated companies are valued using the strict lower-of-cost-or-market principle (strenges Niederstwertprinzip). Bonds, other fixed-income securities and participations are valued using the less strict lower-of-cost-or-market principle (gemildertes Niederstwertprinzip).

Collective investment undertakings (investment funds) are recognised at fair value in the economic balance sheet. The fair value is determined largely based on current market prices. For unlisted fund investments, generally accepted valuation models are used for determining the fair value. These may be general present value models that are applied in accordance with the regulatory requirements of the fund or, in the case of real estate funds, valuations made by qualified and recognised real estate appraisers.

For **derivative financial instruments**, relevant valuation models (similar to a Black-Scholes model) are used that take into account the particular design of the derivative. Where these derivatives relate to specific hedges of risks associated with individual securities, hedging relationships are recognised for these securities and derivatives in accordance with UGB.

For **loans and mortgages**, the fair value is recognised in the economic balance sheet. In this case, the fair value is determined based on mark-to-model prices. Unlike the economic balance sheet, loans and mortgages are valued at the nominal amount of the outstanding receivables for the UGB balance sheet.

The valuation of the **reinsurance recoverables**, i.e. the reinsurers' share of the technical provisions, results from the best-estimate calculation.

Deposit to cedants arise from accepted reinsurance business.

Insurance and intermediaries receivables relate to receivables from policy holders, insurance intermediaries and insurance companies.

The **other receivables** in the **other receivables, Cash and cash equivalents and other assets** item relate to receivables from interest and rent, receivables from the tax authorities and the tax allocation. Most of the receivables have short maturities. Initial recognition is at cost and subsequent valuation is at amortised cost. Accrued interest is shown in the economic balance sheet for the market values of securities. In accordance with UGB, sufficient provisions are set up for doubtful receivables and deducted from their nominal amounts.

Furthermore, there are obligations arising from long-term leases, and these refer to leases for IT equipment (copiers, printers, telephone system, etc.), car leases and office buildings.

The **other receivables, Cash and cash equivalents and other assets** item consists of cash in banks and other overnight money/term deposits in addition to the other receivables mentioned above. Due to their short-term nature, not their present or fair value but the IFRS book value is used in the Solvency II balance sheet.

Deferred tax assets on temporary differences between earnings under corporate law and taxable earnings are capitalised. The tax rate chosen for this is 23%. Deferred tax assets on the asset side of the economic balance sheet result from temporary differences of individual balance sheet items between solvency and tax accounting in accordance with Austrian tax law. A deferred tax rate of 20.7% is applied from the 2022 financial year onwards. Most deferred tax assets have their origin in investments and in non-technical provisions.

In some cases, the valuation uses estimates that VIG Holding is aware of and includes uncertainties that are consciously taken into account in the valuation.

No other asset classes than those in the economic balance sheet are used. No material changes were made to the recognition and valuation bases or estimates in the reporting period.

D.2 TECHNICAL PROVISIONS

The technical provisions are a significant part of the liabilities side of the balance sheet and ensure that the obligations arising from insurance contracts can be met in the long term.

The fundamental concept of the economic balance sheet – a valuation of items close to market value – is particularly challenging for technical provisions, as no market values are available for them. The technical provisions are therefore recognised as best estimates (BE).

The best estimate is the probability-weighted average present value of future cash flows calculated using realistic assumptions.

In addition to the best estimate, the technical provisions in the economic balance sheet also include a risk margin (RM). This risk margin corresponds to a cost of capital margin that allows a third party company to finance the risk capital associated with the portfolio in the event of a portfolio acquisition.

The valuation measures satisfy the principle of proportionality, which ensures that valuations are close to market value and that an appropriate result is achieved. Simplifications are carried out in relation to the nature, scope and complexity of the risk.

The following table shows the technical provisions under Solvency II of VIG Holding as of 31 December 2023, split into lines of business and into best estimate, risk margin and reinsurance recoverables.

Provisions	Best estimate	Risk margin	Technical provisions	Reinsurance recoverables
Life insurance (excl. SLT health insurance and index-linked and unit-linked insurance)	18,430	2	18,432	0
Index-linked and unit-linked insurance	-99	53	-45	0
SLT health (health insurance)	0	0	0	0
Non-life insurance	1,447,890	69,131	1,517,021	223,219
NSLT health (accident insurance)	274,685	17,624	292,309	9,862
TOTAL	1,740,906	86,811	1,827,716	233,081

METHODOLOGY FOR CALCULATING THE BEST ESTIMATE IN LIFE INSURANCE AND HEALTH INSURANCE

The best estimate is the economic value of the underwriting liabilities. The expected present value of insurance liabilities is determined on the basis of current and credible information and realistic assumptions. As a valuation method, probability-weighted cash flows are discounted using the risk-free yield curve published by EIOPA.

All incoming and outgoing cash flows of the insurance liabilities are taken into account in the calculation of the best estimate. These include all payments to policy holders and beneficiaries, all expenses incurred for acquisitions, management, investment management and claims settlement and all premium payments and all cash flows resulting from premiums.

METHODOLOGY FOR CALCULATING THE BEST ESTIMATE IN NON-LIFE INSURANCE AND ACCIDENT INSURANCE

The best estimate for non-life insurance consists of two modules, the claim reserve and the premium reserve.

To determine the best estimate of the claim reserve, standard chain ladder, Munich chain ladder, Cape Cod and the additive method, amongst others, are applied to both payments and incurred claims data before the decision is made for the most plausible methodology. This approach guarantees that different settlement patterns and all data are recorded and analysed.

The best estimate of the premium reserve is determined by a combined ratio method.

For accepted reinsurance business, the best estimates are calculated separately for all VIG insurance companies by each line of business and loss year.

METHODOLOGY FOR CALCULATING THE RISK MARGIN

The calculation of the risk margin is based on the assumption that the entire portfolio of insurance and reinsurance obligations is transferred to another insurance or reinsurance company. Therefore, the risk margin corresponds to the cost of capital necessary to provide eligible own funds equal to the Solvency Capital Requirement. The risk margin is calculated taking into account the risk-mitigating effect of reinsurance contracts, divided into the individual lines of business, and assumes a minimum market risk.

Solvency II uses a cost of capital approach for calculating the risk margin. In this case, the Solvency Capital Requirement is multiplied at any future point in time with a cost of capital of 6% and then discounted and aggregated. For discounting, the risk-free basic interest rate is used.

METHODOLOGY FOR CALCULATING REINSURANCE RECOVERABLES

Under Solvency II, the best estimate is calculated before reinsurance receivables are deducted. Reinsurance recoverables are valued separately and reported on the asset side of the economic balance sheet.

The determination is handled independently by the individual companies. In some companies, the reinsurance component is modelled directly, while in other companies it arises from the difference between the gross and net reserves.

Counterparty default risk is taken into account when calculating the reinsurance recoverables. This is intended to take into account the expected loss resulting from the default of the counterparty. The calculation is performed separately for each counterparty and for each line of business. The calculation is based on an assessment of the probability of default of the counterparty and the ability of the counterparty to recover from this.

In non-life insurance, the counterparty default risk is determined separately for the premium and claim reserves.

SIMPLIFICATIONS

The UGB balance sheet reserve is only used to a small extent as the best estimate for individual lines of business and companies in the indirect business. The reasons for this are too short of a history, data limitations, too specific or non-material business so that an appropriate estimate is not available.

In the calculation of the risk margin, future SCRs are calculated in proportion to the change in the best estimate.

Recoverable amounts from reinsurance contracts in the direct business are adjusted proportionally to the booked reserves. The default risk is also taken into account. Due to the limited data available and because of the low amount of reinsurance business ceded, the reinsurance recoverables in the indirect business are not revalued.

UNCERTAINTY IN THE BEST ESTIMATE CALCULATION

The models use historical data and information on the current market situation to adequately model the future development of the portfolio. The uncertainties are quantified to the best possible extent and are taken into account through appropriate parameterisation of the models.

Since most companies have a data and revaluation history that shows stable development, the degree of uncertainty in the best estimate calculation is satisfactory.

Furthermore, the Solvency II regulations ensure an adequate capital base in the event of unexpected, economically disadvantageous developments.

ADJUSTMENTS AND APPLICATION OF TRANSITIONAL MEASURES

VIG Holding itself does not use volatility adjustments as specified in Article 77d of Directive 2009/138/EC, and also does not use matching adjustments as specified in Article 77b of Directive 2009/138/EC. Furthermore, neither the temporary risk-free yield curve in accordance with Article 308c of Directive 2009/138/EC nor the temporary withdrawal in accordance with Article 308d of Directive 2009/138/EC are applied.

REVALUATION OF TECHNICAL PROVISIONS

The measurement principles for technical provisions under UGB and Solvency II take different approaches. The principle of commercial prudence is applied in the UGB valuation, while the market-consistent valuation applied under Solvency II recognises the expected present values of future income and obligations from the portfolio as of the valuation date.

In the non-life insurance relevant for VIG Holding, under UGB, claim reserves are built for individual claims (RBNS) and additional lump-sum reserves are set up for IBNR losses. Experience has shown that this leads to run-off profits, which become apparent when comparing the technical provisions under Solvency II and UGB.

In addition, the best estimate for the premium reserve has no direct counterparty in the UGB balance sheet. Although unearned premiums, the cancellation reserve and provision for expected losses include corresponding cash flows, all of the future portfolio cash flows are not systematically recognised. In particular, no future profits or losses are reported under UGB.

This difference in valuation approach usually causes the Solvency II best estimate in non-life to be smaller than the technical provision under UGB. In addition, the equalisation provision and terror pool are missing in the economic balance sheet.

The following table provides an overview of the valuation differences for the balance sheet date of 31 December 2023 (values before reinsurance):

Technical provisions	Solvency II	UGB
Life insurance (excl. SLT health insurance and index-linked and unit-linked insurance)	18,432	18,911
Index-linked and unit-linked insurance	-45	0
SLT health (health insurance)	0	0
Non-life insurance	1,517,021	1,693,596
NSLT health (accident insurance)	292,309	320,009

D.3 OTHER LIABILITIES

Other liabilities relate in particular to provisions for severance payments and pensions, subordinated liabilities and deferred tax liabilities. Here, too, a Solvency II valuation consistent with market value is used to prepare the economic balance sheet.

The table below shows the valuation of other liabilities for VIG Holding based on market values compared to the values calculated in accordance with UGB:

Significant positions in other liabilities	Solvency II	UGB	Difference
Contingent liabilities	31,764	0	31,764
Provisions other than technical provisions	123,211	123,970	-759
Pension benefit obligations	58,265	72,763	-14,498
Deposits from reinsurers	0	0	0
Deferred tax liabilities	233,460	0	233,460
Derivatives	492	0	492
Financial liabilities other than debts owed to credit institutions	392,606	503,825	-111,219
Insurance & intermediaries payables	205,261	151,757	53,504
Reinsurance payables	7,804	61,308	-53,504
Payables (trade, not insurance)	79,868	110,555	-30,687
Subordinated liabilities	1,163,224	1,214,413	-51,189
Any other liabilities, not elsewhere shown	853	853	0

The valuation method for other liabilities for solvency purposes has not changed significantly compared to the previous year.

The **contingent liabilities** concern the contingent liabilities for "ancillary own funds" for borrowing by and a letter of comfort for affiliated companies mentioned in A.4.

The **provisions other than technical provisions** mainly include the provision for anniversary bonuses, provision for unused vacation, provision for variable salary components, a provision for customer service and marketing and IT provisions. These are valued using the International Financial Reporting Standards (IAS 37), which is a reasonable approximation of the Solvency II valuation principles.

The **pension benefit obligations** (provisions for severance and provisions for pensions) were calculated in accordance with recognised actuarial rules using the Actuarial Association of Austria (AVÖ) 2018-P Pension insurance calculation principles taking into account the principles currently in effect (IAS 19).

The provisions for severance payments and pensions are calculated using a wage growth rate of:

- Wage growth rate (2024): 8.0% (previous year 2023: 8.5%)
- Wage growth rate (2025): 5.0% (previous year 2024: 6.5%)
- Wage growth rate (2026): 3.5% (previous year 2025: 3.5%)
- Wage growth rate (2027): 2.5% (previous year 2026: 2.5%)
- Wage growth rate (2028): 2.0% p.a. (previous year 2027: 2.0%)

except for parts of pensions (association recommendation 1.20% – previous year: 1.20%) and discount rate of 3.25% (previous year: 3.60%).

The percentage of assets with respect to the defined-benefit plan assets is 54.87% for severance (previous year: 60.45%) and 5.36% for pensions (previous year: 6.06%).

The provisions for severance payments and pensions are calculated in the economic balance sheet in accordance with the provisions of IAS 19, while the projected unit credit method with 7-year average interest rate is used in the UGB balance sheet. A portion of the direct pension obligations are administered as an occupational group insurance plan following conclusion of an insurance contract in accordance with the provisions of §§ 93 to 97 VAG. In terms of outsourced severance obligations, the difference between provisions for severance payments formed in accordance with the requirements of corporate law and the balances at insurance companies is recognised in the balance sheet.

Deferred tax liabilities are recognised in accordance with IAS 12 for the entire economic balance sheet and thus contain the taxes payable in the future that arise from revaluations and hidden reserves on the assets and liabilities sides as of the current date.

Subordinated liabilities and **financial liabilities other than liabilities to banks** consist of supplementary capital bonds issued in the form of securities and lease agreements for property, plant and equipment held for own use.

Subordinated liabilities are recognised in the UGB balance sheet at their book value and in the economic balance sheet at their market values (dirty value, therefore including accrued interest). The requirements of IFRS 16, which apply starting 1 January 2019, are observed for the market values of lease agreements.

Insurance & intermediaries payables are made up of liabilities to policy holders, insurance intermediaries and other insurance companies.

The amounts reported in **payables (trade, not insurance)** includes in addition to liabilities to affiliated companies and participations also tax liabilities and social security liabilities.

Other liabilities not reported elsewhere consist of deferred income and are recognised at their IFRS value for reasons of materiality.

In some cases, the valuations use estimates that VIG Holding is aware of and include uncertainties that are consciously taken into account in the valuation.

No other classes than those in the Solvency II balance sheet are used. No changes were made to the recognition and valuation bases or estimates in the reporting period. VIG Holding has no significant lease liabilities.

D.4 ALTERNATIVE METHODS FOR VALUATION

In the economic balance sheet, an alternative valuation method is used for the following assets and liabilities: own-use and third-party use real estate, term deposits as well as operating and office equipment.

Please refer to section D.1 with regard to the valuation methods applied to loans and real estate in the economic balance sheet.

The value of all real estate in the economic balance sheet excluding right-of-use assets in accordance with IFRS 16 is determined on the basis of expert opinion. This valuation is repeated on a regular basis. The location of the property and its occupancy rate if it is a rented property, amongst other factors, are used as assumptions for this valuation. This valuation method was chosen since the UGB method, i.e. valuation using amortised cost, is not appropriate for an economic balance sheet.

Term deposit accounts are recognised in the economic balance sheet at their nominal values.

For reasons of materiality and practicability, operating and office equipment is recognised at amortised cost. The economic balance sheet thus takes the same approach as both the UGB and IFRS financial statements.

No other alternative valuation methods are used for assets or liabilities.

The alternative valuation methods are periodically checked for appropriateness.

D.5 ANY OTHER INFORMATION

There is no other significant information on the valuation of assets and liabilities for solvency purposes to be reported in the year under review.

E. Capital management

In addition to the capital management process and guidelines for the distribution of own fund items, VIG Holding's capital management mainly consists of the classification of economic own funds. These are derived from the valuation of the economic balance sheet and represent the amount available to the company to cover the Solvency Capital Requirement (SCR).

The Solvency Capital Requirement corresponds to the capital required for the company to withstand a one-in-200-years event.

Besides the SCR, the company is also required to determine a Minimum Capital Requirement (MCR), which represents the last supervisory threshold intervention before the company's operating licence is withdrawn. The two capital requirements are analysed in more detail in the following sections.

As VIG Holding uses a partial internal model to calculate the SCR and MCR in the areas of non-life and property, the differences compared to calculating using the standard formula are also explained in detail.

E.1 OWN FUNDS

This section deals with the composition and management of VIG Holding own funds. First, the capital management process is discussed and the possibility of distributions of own fund items is discussed. Then the individual own fund items are presented for each quality class (tier) along with their eligibility for the Solvency Capital Requirement and the Minimum Capital Requirement.

Management of own funds serves to ensure the compliance with legal and internal standards for quality and quantity in order to meet the Solvency Capital Requirement and Minimum Capital Requirement. VIG Holding's solid capitalisation ensures the ongoing presence of the insurance operations in the future.

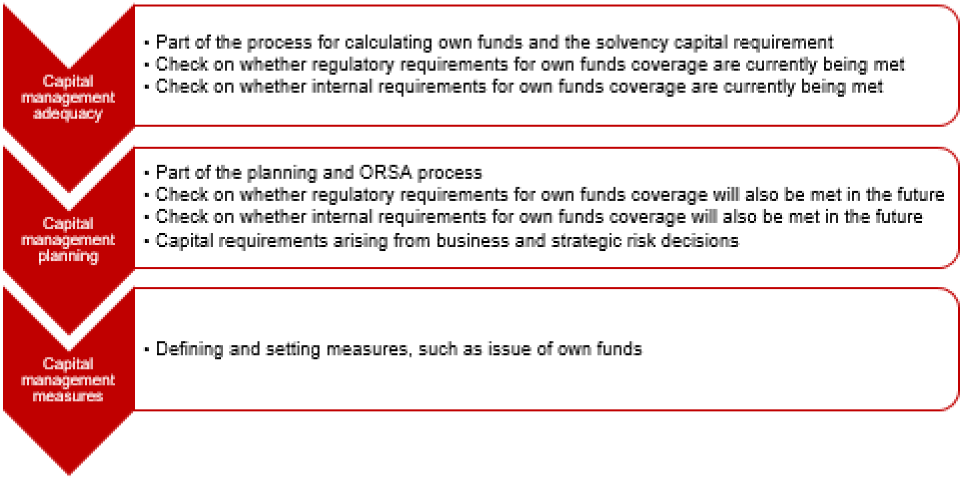
Capital management is an important component of the risk management process and serves to maintain the best possible capital structure in order to ensure the financial flexibility and independence of VIG Holding.

It is based on the following guiding principles:

- Ensuring ongoing existence and an adequate capital base
- The ability to fulfil obligations to policy holders and other beneficiaries at any time
- Continued capacity to pay dividends
- Active management of the amount and quality of the capital base, taking into account the internal economic view, from the perspective of UGB, IFRS and Solvency II, and the rating
- Maintaining an appropriate capital structure in order to optimise the cost of capital
- Considering the minimum solvency rate decided by the Managing Board and documented in the business and risk strategy

CAPITAL MANAGEMENT PROCESS

The VIG Holding capital management process consists of three process steps:



1. Capital management adequacy
The first step involves the monitoring of the current own funds situation. This step is part of the process for calculating own funds and the Solvency Capital Requirement and is therefore performed on a quarterly basis. The preparation of the economic balance sheet and the calculation of the own funds is done by the Finance and Accounting department, while the Solvency Capital Requirement is determined by Risk Management.

In any case, the result is updated when the current capital base of VIG Holding has changed, such as when supplementary capital bonds are called, repurchased prior to maturity or newly issued.

In addition, the adequacy of the quality and quantity of the current own funds is checked as described below.

In this context, it is checked whether the eligibility limits of Article 82 of the Delegated Regulation (EU) 2015/35 are met. Furthermore, compliance with the minimum solvency ratio of 125% is checked.

If the capital base is considered insufficient, the measures required under §§ 278 to 290 VAG are implemented, depending on the scope of the situation.

2. Capital management planning
While the current own funds situation is considered in the previous step of the process, this step involves monitoring the future own funds situation. This step is part of the planning and ORSA process and is thus performed annually in its regular form, and ad hoc if necessary.

The analysis of the future capital base refers to the own funds situation at the end of each year during the planning period (at least 3 years).

The future own funds are also checked for adequacy in terms of quality and quantity. Compliance with the risk tolerance is also checked over the planning period.

The monitoring of the own funds situation in accordance with Solvency II in the ORSA process is performed by the Risk Management function.

The results of this review are documented in the ORSA report. If the capital base is considered insufficient, appropriate measures are taken.

3. Capital management measures
The results from the previous steps as well as the business, investment and risk strategy serve as the basis for capital management measures. In addition, the own funds must also satisfy the risk tolerance defined internally in addition to the regulatory principles. It may therefore be necessary to take capital measures even though the company is adequately covered from a regulatory perspective.

Possible measures are clearly and understandably documented in the medium-term capital management plan. Furthermore, the expected impact on the capital and risk situation is described. The responsibilities with respect to the implementation, approval and further monitoring of measures are defined.

The medium-term capital management plan is prepared annually by Group Treasury & Capital Management in collaboration with Risk Management and Finance and Accounting as part of the planning and ORSA process and updated if necessary. The observation period covered by the medium-term capital management is as long as the planning process, but an extended observation period is applied in the case of supplementary capital. This is to ensure that all terminated volumes of supplementary capital bonds are taken into account in assessing the capital. This is particularly true with respect to the transitional measures applied to supplementary capital.

After a review by the responsible committees, VIG Holding may take the following types of capital measures, among others: capital increase, issue of supplementary capital bonds, shareholder contribution.

DISTRIBUTIONS FROM OWN FUND ITEMS

In VIG Holding, dividends on the share capital and coupon payments on supplementary capital bonds are paid as distributions from the own fund items.

In the context of dividends on share capital , all existing shares have the same dividend rights and entitlements. The amount of the dividend is determined by the amount of profit from the previous financial year. The profit is determined in accordance with the accounting principles of the UGB, taking into account the provisions of the VAG. Net retained profit therefore comprises the profit for the year and retained profits.

The dividend payment amount for a financial year is specified in the Managing Board's dividend payment proposal. This proposal is presented to the Supervisory Board for approval. The General Meeting is bound to the approved proposal in its resolution on the appropriation of the profit.

Based on the current legal situation, the General Meeting may exclude the profit from the distribution in whole or in part. The VAG stipulates that the General Meeting may not approve the distribution if it would result in a shortfall in coverage of the Solvency Capital Requirement (§ 170 (2) VAG).

If the coverage of the Solvency Capital Requirement that is described under § 278 VAG is no longer permanently guaranteed, the suspension of the dividend payment is specified as a measure in the recovery plan which has to be submitted to the FMA. Until the company is adequately capitalised again and a permanent coverage of the SCR can be guaranteed again, no dividend payment can be made. The observation period is defined here as the planning period.

CLASSIFICATION OF OWN FUNDS

VIG Holding own funds are described and their classification is explained in detail below. VIG Holding has the following own funds:

- Share capital
- Reconciliation reserve
- Share premium account related to ordinary share capital
- Subordinated liabilities in the form of supplementary capital bonds

The own funds are divided into basic own funds and ancillary own funds and classified in three own funds classes (tiers) based on their features. The classification is based on the following six criteria:

1. Permanent availability
2. Subordination of the total amount
3. Sufficient maturity
4. No repayment incentives
5. No compulsory ongoing costs
6. No charges

The following own funds classes result from these criteria:

- **Tier 1**: only basic own funds, which largely meet all six criteria
- **Tier 2**: basic own funds if it is not permanently available and ancillary own funds if it meets all six criteria
- **Tier 3**: all remaining basic and ancillary own funds.

The following table shows the economic own funds by tier of VIG Holding as of 31 December 2023, including a comparison with the previous year:

Own funds by tier	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Share capital	132,887 (132,887)	132,887 (132,887)	0 (0)	0 (0)	0 (0)
Share premium account related to ordinary share capital	1,994,216 (1,994,216)	1,994,216 (1,994,216)	0 (0)	0 (0)	0 (0)
Reconciliation reserve	7,072,946 (6,927,227)	7,072,946 (6,927,227)	0 (0)	0 (0)	0 (0)
Surplus funds	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Subordinated liabilities	1,163,224 (1,569,557)	0 (0)	263,038 (245,137)	900,185 (1,324,420)	0 (0)
Basic own funds	10,363,273 (10,623,887)	9,200,050 (9,054,331)	263,038 (245,137)	900,185 (1,324,420)	0 (0)
Ancillary own funds	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Economic own funds	10,363,273 (10,623,887)	9,200,050 (9,054,331)	263,038 (245,137)	900,185 (1,324,420)	0 (0)

Compared to the previous year, economic own funds decreased by TEUR 260,614, which is mainly due to the decrease in Tier 2 own funds and the repurchase of subordinated liabilities.

VIG Holding had economic own funds of TEUR 10,363,273 (previous year; TEUR 10,623,887), compared to own funds including subordinated liabilities under UGB of TEUR 5,259,348 (previous year: TEUR 5,526,851).

There were no significant changes to the objectives, policies and procedures for managing own funds during the reporting period.

The most significant difference between own funds under UGB and own funds under Solvency II arises from the revaluation of UGB book values to Solvency II fair values. The revaluations affect both the assets and the liabilities side of the balance sheet (see Chapter D).

The excess of assets over liabilities includes deferred tax assets and liabilities. As discussed in sections D.1 and D.3 above, deferred tax assets and liabilities in the economic balance sheet are due to temporary measurement differences between the economic and tax balance sheets and result in tax liabilities of TEUR 122,644 (31 December 2022: TEUR 154,575).

The relevant own fund items are described in more detail below.

Share capital
VIG Holding holds only paid-in share capital. The paid-in share capital is classified as Tier 1 capital since it satisfies the necessary characteristics for Tier 1 capital. VIG Holding has no other share capital categories such as callable share capital or treasury shares.

Share premium account
VIG Holding's share premiums are classified as Tier 1 capital since they satisfy the necessary characteristics for Tier 1 capital.

Reconciliation reserve
The reconciliation reserve is composed of the following:

Reconciliation reserve	
Excess of assets over liabilities	9,388,887
Own shares (held directly and indirectly)	0
Foreseeable dividends, distributions and charges	-188,838
Other basic own fund items	-2,127,104
Adjustment for linked own fund items in matching adjustment portfolios and ring-fenced funds	0
Total	7,072,946

The largest difference compared to the previous year is due to the increase in the excess of assets over liabilities.

Subordinated liabilities
The supplementary capital bonds of VIG Holding fall under subordinated liabilities. It consists of one hybrid capital bond and three supplementary capital bonds that satisfy the criteria for restricted Tier 1 and for Tier 2.

VIG Holding has no own fund items with Tier 1 quality that are of the type "paid-in subordinated member accounts of mutual insurance associations", "paid-in preferred shares and related share premium account" or "paid-in subordinated liabilities" and there are therefore no disclosures necessary regarding the capital adjustment mechanisms for these own fund items.

ELIGIBILITY OF OWN FUNDS

The eligibility of VIG Holding's own fund items for covering the Solvency and Minimum Capital Requirements is checked, taking into account the current Solvency Capital Requirement and Minimum Capital Requirement (MCR). The quantity and quality of current own funds eligible to meet the SCR and MCR is checked.

Quantity of own funds
The assessment of the quantity of own funds is performed based on the fundamental requirements in § 174 VAG for own funds covering the SCR and in § 193 (1) VAG for own funds covering the MCR. This means that the following limits must be met:

- Solvency ratio ≥ 100%
- MCR ratio ≥ 100% solvency ratio ≥ 100%

The Managing Board has currently defined a risk tolerance with a minimum solvency ratio of 125%. An additional review is therefore conducted:

- Solvency ratio ≥ 125%

Quality of own funds
The own fund items of all quality levels (Tier 1, 2 and 3) are eligible for covering the SCR, but are subject to quantitative limits under Article 82 (1) of Delegated Regulation 2015/35:

- Tier 1 own funds ≥ 50% SCR
- Tier 3 own funds < 15% SCR
- Tier 2 + Tier 3 own funds ≤ 50% SCR

Only own fund items with quality levels of Tier 1 and Tier 2 are eligible for covering the MCR. In accordance with Article 82 (2) of Delegated Regulation 2015/35, these eligible own funds are subject to the following quantitative limits:

- Tier 1 own funds ≥ 80% MCR
- Tier 2 own funds ≤ 20% MCR

In accordance with Article 82 (3) of Delegated Regulation 2015/35, own fund items with Tier 1 quality have to satisfy additional quantitative limits. Total paid-in preferred shares, including the share premium account, with Tier 1 quality and paid-in subordinated liabilities with Tier 1 quality (e.g. due to transitional rules) may not represent more than 20% of the total Tier 1 own funds.

In the case of VIG Holding this means:

- Tier 1 ancillary own funds ≤ 20% Tier 1 own funds;

Compliance with the eligibility limits in Article 98 of the Directive is also taken into account in this connection.

As of the reporting date, all available own funds are eligible for the SCR, as the Tier 2 own funds limit has not been exceeded.

The total eligible own funds for covering the SCR thus amount to TEUR 10,363,273 (previous year: TEUR 10,567,377), which are divided as follows into own funds classes (tiers):

	Eligible own funds to meet the SCR
Tier 1 – unrestricted	9,200,050
Tier 1 – restricted	263,038
Tier 2	900,185
Tier 3	0
Total	**10,363,273**

Only basic own funds are used to cover the Minimum Capital Requirement. As of the current reporting date, the Tier 2 subordinated liabilities exceed the quantitative limit of Tier 2 own funds. This category is therefore limited to 20% of the MCR.

The eligible own funds for the MCR thus amount to TEUR 9,593,176 (previous year: TEUR 9,426,259), and are divided as follows into own funds classes (tiers):

	Eligible own funds to meet the MCR
Tier 1 – unrestricted	9,200,050
Tier 1 – restricted	263,038
Tier 2	130,088
Tier 3	-
Total	**9,593,176**

E.2 SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

Under Solvency II, companies must determine the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR) for the financial year following that of the economic balance sheet.

The Solvency Capital Requirement is used to determine whether companies are in a position to fulfil their obligations to policy holders should adverse economic developments occur. The key figures are calculated on the basis of the Europe-wide standard formula or using internal models that must be approved by the supervisory authority. Generally, the effects of a 1-in-200-years event are to be calculated.

In other words, this means that policy holders are to be guaranteed with a technical certainty of 99.5% that the company will be able to fulfil all payment obligations arising in the following year, including subsequent obligations.

The Minimum Capital Requirement represents the final regulatory intervention threshold before the company's licence to operate is withdrawn.

The following statutory capital requirements were calculated for VIG Holding as of the reporting date 31 December 2023:

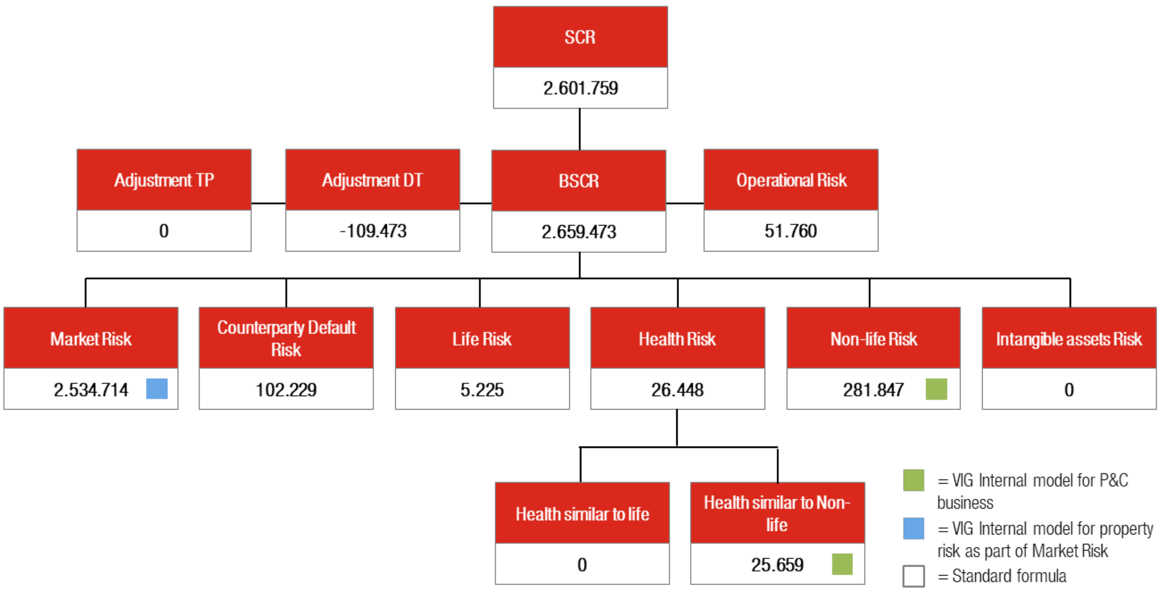
Solvency Capital Requirement (SCR)	2,601,759
Minimum Capital Requirement (MCR)	650,440

SOLVENCY CAPITAL REQUIREMENT

The standard formula is characterised by a modular approach. The SCR comprises risk modules that, in turn, can be further divided into sub-modules.

In the calculation, the values for each sub-module are determined first. Then, the individual values are aggregated into an SCR for each risk module using a specified correlation matrix. The individual risk modules are then aggregated to the Solvency Capital Requirement, taking into account the adjustment for the loss-absorbing capacity of the technical provisions (Adjustment TP) and deferred taxes (Adjustment DT) as well as the operational risk.

The following chart shows the values per risk module for VIG Holding as of 31 December 2023:



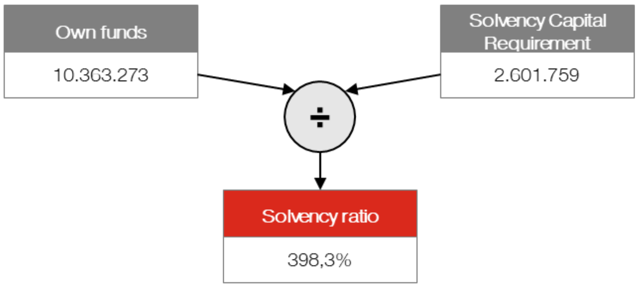
The individual risk modules were calculated for VIG Holding – with the exception of non-life and the property sub-module, which were calculated using the partial internal model (see also section E.4) – using the standard formula.

Only the net tax liability in the economic balance sheet is reported for adjusting the loss-absorbing capacity of deferred taxes. The tax assets and liabilities are with the same tax authority and can actually be offset. No other adjustments are made to the loss-absorbing capacity of deferred taxes.

According to the statutory requirements, the Solvency Capital Requirement determined for VIG Holding was TEUR 2,601,759 as of 31 December 2023. VIG Holding can meet this requirement with the own funds it has available.

The key indicator for assessing the solvency of insurance companies is the SCR ratio. It is calculated based on the ratio of economic own funds to the Solvency Capital Requirement.

If the company has more own funds than required by the Solvency Capital Requirement, the SCR ratio is greater than 100% and therefore adequate. As shown in the chart below, VIG Holding has a solid SCR ratio of around 398.3% as of 31 December 2023.



No undertaking-specific parameters in accordance with Article 104 (7) of Directive 2009/138/EC were used in the calculation. For the determination of the risk-mitigating effect of reinsurance contracts, which is relevant for the calculation of the counterparty default risk, the simplification in accordance with Article 107 of the Delegated Regulation (EU) 2015/35 was applied.

MINIMUM CAPITAL REQUIREMENT

The Minimum Capital Requirement (MCR) is calculated using the company's technical provisions (claims and premium reserve) and the premiums written after reinsurance. The aim is to ensure that the company can at least fulfil its material underwriting obligations.

In line with the legal situation, the upper and lower limits for the MCR are 45% and 25% of the SCR.

The Minimum Capital Requirement determined for VIG Holding in accordance with the statutory requirements was one quarter of the SCR or TEUR 650,440 as of the reporting date of 31 December 2023, as the specified lower limit applies. VIG Holding can meet this requirement with the eligible own funds it has available.

CHANGE ANALYSIS

The Solvency Capital Requirement increased by TEUR 65,941 (2.6%) compared to the previous year. The increase is mainly due to the increase in market risk, which is attributable to the performance of participations in Q4/2023.

The SCR ratio fell by around 18.4 percentage points year-on-year. The main reason for the change is the decrease in own funds, primarily due to the repurchase of subordinated liabilities.

The Minimum Capital Requirement decreased by around TEUR 16,485 year-on-year. The change results from the increase in the Solvency Capital Requirement, as the lower limit of the MCR also applied in the previous year.

E.3 USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

VIG Holding does not use a duration-based approach when calculating the Solvency Capital Requirement for the equity risk.

E.4 DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

VIG Holding uses a partial internal model that has been approved by the supervisory authorities to calculate the Solvency Capital Requirement.

The model covers the non-life risk modules including the risk of NSLT health insurance (ariSE) and the property sub-module (as part of the market risk).

The results of the partial internal model replace the corresponding module results from the calculation using the standard formula. Further aggregation and diversification effects follow the specifications of the standard formula.

The following sections explain the purposes, structure and methods of the model in the areas mentioned.

NON-LIFE PARTIAL INTERNAL MODEL – ARISE

ariSE covers all material underwriting risks in the non-life insurance business and is used in VIG Holding for several purposes, including the following:

- To support key business decisions using scenario calculations for key performance indicators (premium growth, loss ratios, combined ratio, etc.) and their expected volatility (risk); and decision-making (e.g. the purchase of reinsurance)
- To calculate the Solvency Capital Requirement
- To estimate the impact of planning on the Solvency Capital Requirement

The Solvency Capital Requirement calculated using ariSE corresponds to the value-at-risk of the change in economic own funds with a confidence level of 99.5% over a one-year period.

ariSE is based on the mathematical application Mathworks' Matlab and allows one-year modelling of the underwriting result in the non-life insurance business using a Monte Carlo simulation. In this simulation, a multitude of possible scenarios is generated based on a random number generator. A possible realisation of profit and loss items is estimated (premiums, losses, etc.) for each scenario on gross and net of reinsurance level. These scenarios are based on a simulated portfolio development (parametrisation of ongoing business, new business, cancellations). The model takes into account the three main categories of risk: premium, reserve and catastrophe risk. Overall, the generated scenarios allow for the identification of risk drivers and analysis of possible extreme events.

Diversification effects in the model between the sub-modules stem directly from the Monte Carlo simulation and from the implemented correlation structures, which reflect the dependencies between related lines of business, for example.

In comparison to the standard formula, ariSE allows for a more granular segmentation of individual lines of business, making premium and reserve risk modelling more differentiated, which is tailored to the in-house portfolio characteristics. Therefore, the model is also used for steering of the company including business planning and reinsurance purposes.

The adequacy of the data and methods used in ariSE is reviewed annually as part of the comprehensive validation. If necessary, the modelling can be adapted quickly to changes in the risk profile. Detailed information on the validation process and governance system for the PIM is provided in section B.3.2.

PROPERTY PARTIAL INTERNAL MODEL

The property partial internal model consists of three sub-models, with only two sub-models currently being used due to the existing portfolio:

- Directly held real estate, holding companies and (under IFRS 16) leased property
- Real estate funds
- Non-profit housing societies (currently no companies in scope)

A uniform approach is used for the modelling for each sub-model, with the PIM covering all property risks in the portfolios of the VIG insurance companies using the model. The model results are used for the following purposes, among others:

- As an integral component of the risk management process for property
- To calculate the Solvency Capital Requirement
- To analyse the effects on the risk profile of possible real estate purchases or sales

The Solvency Capital Requirement calculated using the partial internal model is the sum of the Solvency Capital Requirements for the sub-models. It corresponds to the value-at-risk of the total value of the real estate portfolio with a confidence level of 99.5% over a one-year period. The SCR calculated based on the property PIM replaces the market risk of the respective property classes calculated with the standard formula.

Further aggregation is performed according to the specifications of the standard formula. Diversification effects therefore arise between the individual assets within the sub-models as well as between the property risk and other market risks within the aggregation method specified in the standard formula.

The property PIM is based on a simulation of changes in the parameters relevant to the value of the property portfolio. Based on the valuation methods typically used in the different markets (property appraisals, net asset value, discounted cash flow), the sub-models differ in the choice of the simulated parameters.

Compared to the standard formula, which is based on an index of the real estate market of the United Kingdom, the partial internal model takes into account, amongst other things, the geographical specifics of the in-house real estate portfolio. Residential real estate was not included in the calibration of the standard formula, but makes up a significant portion of the Group-wide portfolio. Due to their many years of experience with property investments, the companies that use the PIM have their own databases, valuation knowledge and specific market knowledge.

The adequacy of the data and methods used in the PIM is reviewed annually as part of the validation. Detailed information on the validation process and governance system for the PIM is provided in section B.3.2.

E.5 NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

In the reporting year, VIG Holding meets the legal requirements for covering the SCR and MCR.

E.6 ANY OTHER INFORMATION

No other information on capital management is to be reported in the reporting period.

ANNEX

GLOSSARY

ALM
Asset-liability management; a key component of risk management and concerned with analysing asset and liability balance sheet items and their maturity structures

ariSE
Name of the partial internal model that VIG Holding uses for calculating the non-life SCR

Best estimate (BE)
Best estimated value of the technical provisions at market value; corresponds to the probability-weighted average of future cash flows

Combined ratio
Key indicator for assessing business performance in property and casualty insurance; all insurance service expenses after deducting reinsurance shares except for the change in the equalisation provision as a percentage of net earned premiums after deducting reinsurance shares (= sum of net cost ratio and net loss ratio); does not include finance income

Delegated acts, delegated regulations
Legal regulations promulgated by the EU Commission

EBT
Earnings from ordinary business activities; sum of the underwriting result, the financial result and other non-underwriting income and expenses before taxes

EIOPA
European Insurance and Occupational Pensions Authority; European Supervisory Authority for the financial markets

FMA
Austrian Financial Market Authority

Health NSLT
Non-similar to life techniques; under Solvency II, there is no health insurance as such; the distinction is made according to the underlying calculation method. Insurance is categorised as either life or non-life

Health SLT
Similar to life techniques; under Solvency II, there is no health insurance as such, the distinction is made according to the underlying calculation method. Insurance is categorised as either life or non-life

IAS
International Accounting Standards

IFRS
International Financial Reporting Standards; international accounting standards for companies issued by the International Accounting Standards Board (IASB) that are independent of national legislation

ICS
Internal control system

LOB
Lines of business; divisions under Solvency II

MCR
Minimum Capital Requirement; under Solvency II

NatCat
Natural catastrophes

OF
Own funds; economic own funds under Solvency II

ORSA
Own risk and solvency assessment, company's assessment of the extent to which the standard model adequately covers the relevant risks

PIM
Partial internal model approved by the FMA under Solvency II; the company uses its own model for the SCR calculation in the non-life and property areas instead of the Europe-wide standard formula

PPP
Prudent person principle

QRT
Quantitative reporting template

Reinsurance recoverables (RR)
Amounts recoverable from reinsurance contracts determined as part of the best estimate calculation

Risk
Potential development assessed as a capital amount that could jeopardise the company's existing objectives

Risk margin (RM)
Corresponds to a cost of capital margin that allows a third party company to finance the risk capital associated with the portfolio in the event of a portfolio acquisition

RMF
Risk Management function

Framework directive
Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance, better known as Solvency II/Solvency 2

SCR
Solvency Capital Requirement; risk capital required to cover the relevant risks in accordance with Solvency II

Standard formula
Method applicable throughout Europe for calculating the Solvency Capital Requirement; the target criterion is to achieve a VaR (value-at-risk) of 99.5% over a time horizon of one year. The standard formula has a modular structure, with insurance companies free to use it or develop an internal model (subject to approval)

SFCR
Solvency and financial condition report; report to be published by the company (this document)

Solvency II
See also framework directive; framework directive at EU level on the taking-up and pursuit of insurance activities; basis for the Austrian Insurance Supervision Act (3-pillar approach)

VAG
Versicherungsaufsichtsgesetz – Austrian Insurance Supervision Act; with the start of Solvency II, the "outdated" VAG 1978 was replaced by VAG 2016, which implements the European requirements of Solvency II

VaR, value-at-risk
Value used to determine risk; calculated loss that will, with a certain probability, not be exceeded within a certain period of time

AF
Actuarial function

Tech. provisions
Technical provisions

NOTICE

This report includes forward-looking statements based on current assumptions and estimates that were made by the management of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe to the best of its knowledge. Disclosures using the words “expected”, “target” or similar formulations are an indication of such forward-looking statements. Forecasts related to the future development of the company are estimates made on the basis of information available as of the date this report went to press. Actual results may differ from the forecasts if the assumptions underlying the forecast prove to be wrong or if unexpectedly large risks occur.

Calculation differences may arise when rounded amounts and percentages are summed automatically.

The report was prepared with great care to ensure that all information is complete and accurate. The possibility of rounding, type-setting or printing errors, however, cannot be ruled out completely.

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GENERAL INFORMATION

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QUANTITATIVE REPORTING TEMPLATES

This annex contains the quantitative reporting templates (QRTs) of VIG Holding required by regulation as of the current reporting date of 31 December 2023. The following reporting templates contain the EIOPA cell location information in the form of row and column abbreviations such as R0010 and C0020. Interested readers can use these cell designations in combination with the table designation (e.g. S.02.01.02) in Commission Implementing Regulation (EU) 2015/2452, including its amendments, to learn about the exact requirements for the individual contents.

Documents in the annex

Affiliated companies and participations of VIG Holding
Public disclosure VIG Holding – Quantitative Reporting Templates (QRT) for the solvency and financial condition report of individual undertakings
S.02.01.02 Balance sheet
S.04.05.21 Premiums, claims and expenses by countries
S.05.01.02 Premiums, claims and expenses by line of business
S.12.01.02 Life and Health SLT Technical Provisions
S.17.01.02 Non-life Technical Provisions
S.19.01.21 Non-life Insurance Claims Information
S.23.01.01 Own funds
S.25.05.21 Solvency Capital Requirement – for undertakings using an internal model (partial or full)
S.28.01.01 Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

Affiliated companies and participations of VIG Holding

The following material participations existed in VIG Holding on 31 December 2023 (§ 238 UGB):

Company	Direct interest in capital (%)
Affiliated companies	
ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A., Bucharest	88.77
ATBIH GmbH, Vienna	68.97
BCR Asigurari de Viata Vienna Insurance Group S.A., Bucharest	93.98
BTA Baltic Insurance Company AAS, Riga	100.00
Beesafe Spolka z Ogranziczona Odpowiedzialnoscia, Warsaw	77.27
Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni, Chisinau	99.99
CARPATHIA Pensii-Societate de Administrare a Fondurilor de Pensii private S.A., Floresti	100.00
Ceská podnikatelská pojist'ovna, a.s., Vienna Insurance Group, Prague	100.00
Compensa Life Vienna Insurance Group SE, Tallinn	100.00
Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group, Warsaw	84.14
Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw	76.01
Compensa Vienna Insurance Group, akcine draudimo bendrove, Vilnius	100.00
DONAU Versicherung AG Vienna Insurance Group, Vienna	74.24
ELVP Beteiligungen GmbH, Vienna	100.00
Foreign limited liability company "InterInvestUchastie", Minsk	99.95
GLOBAL ASSISTANCE D.O.O. BEOGRAD, Belgrade	50.00
GLOBAL ASSISTANCE SERVICES SRL, Bucharest	40.00
GLOBAL ASSISTANCE SERVICES s.r.o., Prague	100.00
GLOBAL ASSISTANCE SLOVAKIA s.r.o., Bratislava	40.00
GLOBAL ASSISTANCE, a.s., Prague	60.00
Global Assistance Polska Spolka z ograniczona odpowiedzialnoscia, Warsaw	30.77
Global Services Bulgaria JSC, Sofia	50.00
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD, Sofia	100.00
INTERSIG VIENNA INSURANCE GROUP Sh.A., Tirana	89.98
Insurance Company Vienna osiguranje d.d., Vienna Insurance Group, Sarajevo	100.00

Company	Direct interest in capital (%)
Affiliated companies	
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje - Vienna Insurance Group, Skopje	94.50
InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw	100.00
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	100.00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group Skopje, Skopje	100.00
KOMUNALNA poistovna, a.s. Vienna Insurance Group, Bratislava	100.00
KOOPERATIVA poist'ovna, a.s. Vienna Insurance Group, Bratislava	94.37
KUPALA Belarusian-Austrian Closed Joint Stock Insurance Company, Minsk	52.34
Kooperativa, pojist'ovna, a.s. Vienna Insurance Group, Prague	95.84
LVP Holding GmbH, Vienna	100.00
OMNIASIG VIENNA INSURANCE GROUP S.A., Bucharest	99.54
Private Joint Stock Company "Insurance Company "USG", Kiev	7.07
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNIAZHA VIENNA INSURANCE GROUP", Kiev	90.56
Private Joint-Stock Company "INSURANCE COMPANY "KNIAZHA LIFE VIENNA INSURANCE GROUP", Kiev	97.94
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H., Vienna	90.00
Ray Sigorta Anonim Sirketi, Istanbul	12.67
SIA "Global Assistance Baltic", Riga	33.33
SIGMA VIENNA INSURANCE GROUP Sh.A., Tirana	89.05
VIG AM Real Estate, a.s., Prague	100.00
VIG HU GmbH, Vienna	100.00
VIG IT - Digital Solutions GmbH, Vienna	100.00
VIG Magyarország Befektetesi Zartköröen Müködö Reszvenytarsasag, Budapest	55.00
VIG Management Service SRL, Bucharest	52.08
VIG Poland/Romania Holding B.V., Amsterdam	100.00
VIG Properties Bulgaria AD in Liquidation, Sofia	99.97
VIG RE zajist'ovna, a.s., Prague	55.00
VIG Services Ukraine, LLC, Kiev	6.98
VIG Türkiye Holding B.V., Amsterdam	100.00
VIG-CZ Real Estate GmbH, Vienna	90.00
Vienna Insurance Group Polska Spolka z ograniczona odpowiedzialnoscia, Warsaw	51.43
Vienna International Underwriters GmbH, Vienna	100.00
Vienna Life Towarzystwo Ubezpieczen na Zycie S.A. Vienna Insurance Group, Warsaw	100.00
Vienna-Life Lebensversicherung AG Vienna Insurance Group, Bendern	100.00
VIENNAER STÄDTISCHE OSIGURANJE akcionarsko drustvo za osiguranje Beograd, Belgrade	100.00
VIENNAER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group, Vienna	90.82
Joint Stock Insurance Company WINNER-Vienna Insurance Group, Skopje	100.00
Viennaer Osiguranje Vienna Insurance Group a.d., Banja Luka	100.00
Akcionarsko drustvo za zivotno osiguranje Viennaer Städtische Podgorica, Vienna Insurance Group, Podgorica	100.00
Viennaer Towarzystwo Ubezpiezen Spolka Akcyjna Vienna Insurance Group, Warsaw	100.00
Viennaer osiguranje Vienna Insurance Group dionicko drustvo za osiguranje, Zagreb	97.82
twinformatics GmbH, Vienna	20

Company	Direct interest in capital (%)
Participations	
Erste Asset Management GmbH, Vienna	0.76
Wiener Börse AG, Vienna	8.50

S.02.01.02 – Balance sheet

		Solvency II value
Assets		C0010
Intangible assets	R0030	0
Deferred tax assets	R0040	110,817
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	86,976
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	11,349,681
Property (other than for own use)	R0080	566,696
Holdings in related undertakings, including participations	R0090	9,873,301
Equities	R0100	0
Equities - listed	R0110	0
Equities - unlisted	R0120	0
Bonds	R0130	550,002
Government Bonds	R0140	81,170
Corporate Bonds	R0150	468,832
Structured notes	R0160	0
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	6,133
Derivatives	R0190	1,176
Deposits other than cash equivalents	R0200	352,373
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	0
Loans and mortgages	R0230	171,542
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	171,542
Reinsurance recoverables from:	R0270	233,081
Non-life and health similar to non-life	R0280	233,081
Non-life excluding health	R0290	223,219
Health similar to non-life	R0300	9,862
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	0
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	839,874
Insurance and intermediaries receivables	R0360	283,162
Reinsurance receivables	R0370	75,601
Receivables (trade, not insurance)	R0380	191,107
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	383,536
Any other assets, not elsewhere shown	R0420	15,997
Total assets	R0500	13,741,376

Liabilities		Solvency II value C0010
Technical provisions – non-life	R0510	1,809,329
Technical provisions – non-life (excluding health)	R0520	1,517,021
TP calculated as a whole	R0530	
Best Estimate	R0540	1,447,890
Risk margin	R0550	69,131
Technical provisions - health (similar to non-life)	R0560	292,309
TP calculated as a whole	R0570	
Best Estimate	R0580	274,685
Risk margin	R0590	17,624
Technical provisions - life (excluding index-linked and unit-linked)	R0600	18,432
Technical provisions - health (similar to life)	R0610	0
TP calculated as a whole	R0620	
Best Estimate	R0630	0
Risk margin	R0640	0
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	18,432
TP calculated as a whole	R0660	
Best Estimate	R0670	18,430
Risk margin	R0680	2
Technical provisions – index-linked and unit-linked	R0690	-45
TP calculated as a whole	R0700	
Best Estimate	R0710	-99
Risk margin	R0720	53
Contingent liabilities	R0740	31,764
Provisions other than technical provisions	R0750	123,211
Pension benefit obligations	R0760	58,265
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	233,460
Derivatives	R0790	492
Debts owed to credit institutions	R0800	227,964
Financial liabilities other than debts owed to credit institutions	R0810	392,606
Insurance & intermediaries payables	R0820	205,261
Reinsurance payables	R0830	7,804
Payables (trade, not insurance)	R0840	79,868
Subordinated liabilities	R0850	1,163,224
Subordinated liabilities not in BOF	R0860	0
Subordinated liabilities in BOF	R0870	1,163,224
Any other liabilities, not elsewhere shown	R0880	853
Total liabilities	R0900	4,352,489
Excess of assets over liabilities	R1000	9,388,887

S.04.05.01 – Premiums, claims and expenses by country

		Home country	Top 5 countries: Non-life insurance				
	R0010		CZ	PL	DE	RO	SK
		C0010	C0020	C0020	C0020	C0020	C0020
Premiums written (gross)							
Gross Written Premium (direct)	R0020	29,974	6,445	22,222	114,084	3,360	4,633
Gross Written Premium (proportional reinsurance)	R0021	300,592	349,748	176,708	39,842	134,239	87,745
Gross Written Premium (non-proportional reinsurance)	R0022	0	0	0	0	0	0
Premiums earned (gross)							
Gross Earned Premium (direct)	R0030	30,878	5,420	19,885	111,848	3,332	4,171
Gross Earned Premium (proportional reinsurance)	R0031	299,341	347,034	174,788	39,782	99,930	82,292
Gross Earned Premium (non-proportional reinsurance)	R0032	0	0	0	0	0	0
Claims incurred (gross)							
Claims incurred (direct)	R0040	27,996	421	9,288	100,339	-28	518
Claims incurred (proportional reinsurance)	R0041	194,618	194,528	133,700	16,169	81,670	65,142
Claims incurred (non-proportional reinsurance)	R0042	0	0	0	0	0	0
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	R0050	32,542	180	343	5,576	370	438
Gross Expenses Incurred (proportional reinsurance)	R0051	234,422	149,051	45,883	25,054	17,417	16,605
Gross Expenses Incurred (non-proportional reinsurance)	R0052	0	0	0	0	0	0

		Home country	Top 5 countries: life insurance				
	R1010		LI	RO			
		C0030	C0040	C0040	C0040	C0040	C0040
Gross Written Premium	R1020	0	94	9			
Gross Earned Premium	R1030	0	94	9			
Claims incurred	R1040	0	0	2,474			
Gross Expenses Incurred	R1050		0	247			

S.05.01.02 – Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Gross - Direct Business	R0110	0	0		0	0	4,487	304,957	4,464	
Gross - Proportional reinsurance accepted	R0120	25,016	349,744		978,019	0	0	2,969	0	
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140	0	2,251		8,221	0	2,100	133,605	3,039	
Net	R0200	25,016	347,493		969,798	0	2,388	174,321	1,425	
Premiums earned										
Gross - Direct Business	R0210	0	0		0	0	4,508	290,486	4,679	
Gross - Proportional reinsurance accepted	R0220	25,659	346,581		931,801	0	0	534	0	
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	0	2,251		8,221	0	2,037	132,294	3,111	
Net	R0300	25,659	344,330		923,580	0	2,470	158,726	1,568	
Claims incurred										
Gross - Direct Business	R0310	0	0		0	0	1,717	213,204	468	
Gross - Proportional reinsurance accepted	R0320	20,117	160,739		681,636	0	26	7,914	0	
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	0	2,837		-2,646	0	-152	81,873	-2	
Net	R0400	20,117	157,902		684,282	0	1,896	139,245	470	
Expenses incurred	R0550	6,913	221,742		342,876	0	698	34,668	-1	
Balance - other technical expenses/income	R1210									
Total expenses	R1300									

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	R0110								313,908
Gross - Proportional reinsurance accepted	R0120								1,355,747
Gross - Non-proportional reinsurance accepted	R0130								
Reinsurers' share	R0140								**149,214**
Net	R0200								**1,520,441**
Premiums earned									
Gross - Direct Business	R0210								299,672
Gross - Proportional reinsurance accepted	R0220								1,304,575
Gross - Non-proportional reinsurance accepted	R0230								
Reinsurers' share	R0240								**147,913**
Net	R0300								**1,456,334**
Claims incurred									
Gross - Direct Business	R0310								215,389
Gross - Proportional reinsurance accepted	R0320								870,433
Gross - Non-proportional reinsurance accepted	R0330								
Reinsurers' share	R0340								**81,910**
Net	R0400								**1,003,912**
Expenses incurred	R0550								**606,895**
Balance - other technical expenses/income	R1210								**5,939**
Total expenses	R1300								**612,835**

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410								103	103
Reinsurers' share	R1420									
Net	R1500								103	103
Premiums earned										
Gross	R1510								103	103
Reinsurers' share	R1520									
Net	R1600								103	103
Claims incurred										
Gross	R1610								15,526	15,526
Reinsurers' share	R1620									
Net	R1700								15,526	15,526
Expenses incurred	R1900								247	247
Other expenses	R2510									
Total expenses	R2600									247
Expenses incurred	R2700									

S.12.01.02 – Life and Health SLT Technical Provisions

			Index-linked and unit-linked insurance			Other life insurance					
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
			C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
Technical provisions calculated as a whole	R0010										
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020										
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	R0030									18,331	18,331
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080									0	0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090									18,331	18,331
Risk Margin	R0100									56	56
Technical provisions - total	R0200									18,387	18,387

		Health insurance (direct business)					
			Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020						
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	R0030						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080						
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090						
Risk Margin	R0100						
Technical provisions - total	R0200						

S.17.01.02 – Non-life Technical Provisions

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions calculated as a whole	R0010									
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0050									
Technical provisions calculated as a sum of BE and RM										
Best estimate										
Premium provisions										
Gross	R0060	0	-18,947	0	71,976	0	331	47,122	547	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	0	0	0	68	8,338	12	0
Net Best Estimate of Premium Provisions	R0150	0	-18,947	0	71,976	0	263	38,783	535	0
Claims provisions										
Gross	R0160	1,511	292,121	0	897,515		3,704	421,528	5,166	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	9,862	0	23,073	0	414	189,071	2,242	0
Net Best Estimate of Claims Provisions	R0250	1,511	282,259	0	874,442		3,290	232,457	2,924	0
Total Best estimate - gross	R0260	**1,511**	**273,174**	**0**	**969,491**		**4,035**	**468,650**	**5,714**	**0**
Total Best estimate - net	R0270	**1,511**	**263,312**	**0**	**946,418**		**3,553**	**271,240**	**3,459**	**0**
Risk margin	R0280	**94**	**17,530**	**0**	**54,308**		**204**	**14,437**	**182**	**0**

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Amount of the transitional on Technical Provisions		0								
Technical provisions - total	R0320	1,605	290,704	0	1,023,799		4,239	483,087	5,895	0
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	9,862	0	23,073	0	482	197,409	2,254	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	1,605	280,842	0	1,000,726		3,757	285,677	3,641	0

		Direct business and accepted proportional reinsurance			Accepted non-proportional reinsurance				Total Non-Life obligation
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010								
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0050								
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross	R0060	0	0	0	0	0	0	0	101,029
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	0	0	0	0	0	8,419
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	0	0	0	92,610
Claims provisions									
Gross	R0160	0	0	0	0	0	0	0	1,621,545
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0	0	0	0	0	0	224,662
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	0	0	0	1,396,883
Total Best estimate - gross	R0260	0	0	0	0	0	0	0	1,722,574
Total Best estimate - net	R0270	0	0	0	0	0	0	0	1,489,493
Risk margin	R0280	0	0	0	0	0	0	0	86,755

		Direct business and accepted proportional reinsurance			Accepted non-proportional reinsurance				Total Non-Life obligation
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Amount of the transitional on Technical Provisions									
Technical provisions - total	R0320	0	0	0	0	0	0	0	1,809,329
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	0	0	0	233,081
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	0	0	0	1,576,248

S.19.01.21 – Non-life Insurance Claims Information

Total Non-Life Business

Accident year / Underwriting year	Z0020	Underwriting year

Gross Claims Paid (non-cumulative)
(absolute amount)

		Development year														
	Year	0	1	2	3	4	5	6	7	8	9	10 & +			In Current year	Sum of years (cumulative)
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110			C0170	C0180
Vor	R0100											1,007		R0100	1,007	1,007
N-9	R0160	34,782	62,654	19,243	8,565	6,120	13,356	1,701	1,816	9,863	284			R0160	284	158,385
N-8	R0170	39,313	70,244	21,759	9,341	5,279	2,758	2,221	1,295	1,139				R0170	1,139	153,349
N-7	R0180	38,741	73,101	20,141	7,854	3,134	2,209	1,805	1,971					R0180	1,971	148,955
N-6	R0190	40,521	71,172	19,438	8,877	4,164	2,340	2,535						R0190	2,535	149,046
N-5	R0200	40,331	71,940	18,929	7,480	4,397	2,216							R0200	2,216	145,293
N-4	R0210	40,634	64,100	14,793	6,541	4,137								R0210	4,137	130,206
N-3	R0220	39,097	67,644	16,318	6,495									R0220	6,495	129,554
N-2	R0230	45,343	89,766	21,857										R0230	21,857	156,966
N-1	R0240	52,163	107,316											R0240	107,316	159,479
N	R0250	59,294												R0250	59,294	59,294
													Total	R0260	208,253	1,391,534

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

		Development year													Year end (discounted data)
	Year	0	1	2	3	4	5	6	7	8	9	10 & +			
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300			C0360
Vor	R0100											9,734		R0100	8,779
N-9	R0160	0	0	46,426	35,712	29,775	19,174	17,147	15,216	4,960	3,591			R0160	3,184
N-8	R0170	0	70,174	44,854	33,444	26,150	24,545	21,470	17,311	13,638				R0170	11,912
N-7	R0180	63,122	66,301	38,177	27,995	23,460	21,424	15,907	11,176					R0180	10,103
N-6	R0190	63,970	63,005	39,694	28,865	25,394	24,450	17,041						R0190	15,089
N-5	R0200	58,173	65,688	39,002	29,271	27,826	21,510							R0200	20,057
N-4	R0210	58,008	58,683	37,565	29,751	27,622								R0210	25,945
N-3	R0220	56,646	59,177	35,071	27,077									R0220	25,065
N-2	R0230	69,588	79,098	48,010										R0230	44,937
N-1	R0240	79,288	86,620											R0240	81,830
N	R0250	81,440												R0250	77,107
													Total	R0260	324,008

S.19.01.21 – Non-life Insurance Claims Information

Total Non-Life Business		
Accident year / Underwriting year	Z0020	Accident year

Gross Claims Paid (non-cumulative)
(absolute amount)

		Development year													In Current year	Sum of years (cumulative)
	Year	0	1	2	3	4	5	6	7	8	9	10 & +				
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110			C0170	C0180
Vor	R0100											5,380		R0100	5,380	5,380
N-9	R0160	184,087	121,566	50,483	22,034	10,651	4,937	2,333	2,281	1,910	1,290			R0160	1,290	401,572
N-8	R0170	169,753	141,669	55,464	18,547	12,363	3,554	3,276	3,305	1,679				R0170	1,679	409,611
N-7	R0180	188,628	147,186	47,533	24,829	16,077	7,523	6,158	4,324					R0180	4,324	442,257
N-6	R0190	214,967	151,185	59,713	29,929	18,216	4,975	10,399						R0190	10,399	489,383
N-5	R0200	272,031	183,014	63,124	34,312	13,836	13,622							R0200	13,622	579,940
N-4	R0210	231,737	124,373	57,628	20,366	14,009								R0210	14,009	448,113
N-3	R0220	188,043	141,913	54,895	30,302									R0220	30,302	415,153
N-2	R0230	233,075	169,333	105,790										R0230	105,790	508,197
N-1	R0240	267,930	220,237											R0240	220,237	488,168
N	R0250	309,962												R0250	309,962	309,962
													Total	R0260	716,994	4,497,734

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

		Development year													Year end (discounted data)
	Year	0	1	2	3	4	5	6	7	8	9	10 & +			
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300			C0360
Vor	R0100											45,405		R0100	38,591
N-9	R0160	0	0	97,835	50,571	36,489	25,685	23,363	21,616	21,251	16,349			R0160	14,064
N-8	R0170	0	144,183	94,090	55,636	37,075	29,187	24,473	22,979	19,586				R0170	17,200
N-7	R0180	273,299	147,255	94,911	46,902	36,019	27,682	26,472	24,383					R0180	21,227
N-6	R0190	317,284	164,571	121,740	69,442	40,222	40,486	33,223						R0190	28,642
N-5	R0200	374,285	206,571	140,525	88,972	73,296	55,382							R0200	48,472
N-4	R0210	365,813	173,533	105,262	81,309	59,354								R0210	51,390
N-3	R0220	405,579	224,481	141,876	81,438									R0220	71,138
N-2	R0230	486,710	314,542	171,101										R0230	156,129
N-1	R0240	526,452	292,666											R0240	269,905
N	R0250	617,628												R0250	580,781
													Total	R0260	1,297,537

S.23.01.01 – Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	132,887	132,887		0	
Share premium account related to ordinary share capital	R0030	1,994,216	1,994,216		0	
initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	
Surplus funds	R0070	0	0	0	0	
Preference shares	R0090	0		0	0	
Share premium account related to preference shares	R0110	0		0	0	
Reconciliation reserve	R0130	7,072,946	7,072,946			
Subordinated liabilities	R0140	1,163,224	0	263,038	900,185	
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	**10,363,273**	**9,200,050**	**263,038**	**900,185**	
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	10,363,273	9,200,050	263,038	900,185	
Total available own funds to meet the MCR	R0510	10,363,273	9,200,050	263,038	900,185	
Total eligible own funds to meet the SCR	R0540	10,363,273	9,200,050	263,038	900,185	0
Total eligible own funds to meet the MCR	R0550	9,593,176	9,200,050	263,038	130,088	
SCR	R0580	**2,601,759**				
MCR	R0600	**650,440**				
Ratio of Eligible own funds to SCR	R0620	**398.3 %**				
Ratio of Eligible own funds to MCR	R0640	**1474.9 %**				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	9,388,887
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	188,838
Other basic own fund items	R0730	2,127,104
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Reconciliation reserve	R0760	**7,072,946**
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	0
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	68,527
Total Expected profits included in future premiums (EPIFP)	R0790	**68,527**

S.25.05.21 – Solvency Capital Requirement - for undertakings using an internal model (partial or full)

		Solvency Capital Requirement	Amount modelled	USP	Simplifications
		C0010	C0070	C0090	C0120
Risk type					
Total diversification	R0020	-290,990	0		
Total diversified risk before tax	R0030	2,711,233	366,650		
Total diversified risk after tax	R0040	2,601,759	366,650		
Total market & credit risk	R0070	3,095,054	59,144		
Market & Credit risk - diversified	R0080	2,534,714	59,144		
Credit event risk not covered in market & credit risk	R0190	108,541	0		
Credit event risk not covered in market & credit risk - diversified	R0200	102,229	0		
Total Business risk	R0270	0	0		
Total Business risk - diversified	R0280	0	0		
Total Net Non-life underwriting risk	R0310	307,506	307,506		
Total Net Non-life underwriting risk - diversified	R0320	283,012	307,506		
Total Life & Health underwriting risk	R0400	7,882	0		
Total Life & Health underwriting risk - diversified	R0410	6,424	0		
Total Operational risk	R0480	51,760	0		
Total Operational risk - diversified	R0490	51,760	0		
Other risk	R0500	0	0		

Calculation of Solvency Capital Requirement		C0100
Total undiversified components	R0110	2,892,749
Diversification	R0060	-290,990
Adjustment due to RFF/MAP nSCR aggregation	R0120	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency capital requirement, excluding capital add-ons	R0200	2,601,759
Capital add-ons already set	R0210	0
of which, Capital add-ons already set - Article 37 (1) Type a	R0211	0
of which, Capital add-ons already set - Article 37 (1) Type b	R0212	0
of which, Capital add-ons already set - Article 37 (1) Type c	R0213	0
of which, Capital add-ons already set - Article 37 (1) Type d	R0214	0
Solvency capital requirement	R0220	2,601,759
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	
Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	-109,473
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0
Method used to calculate the adjustment due to RFF nSCR aggregation	R0450	
Net future discretionary benefits	R0460	0

		Yes/No
		C0109
Approach based on average tax rate	R0590	Yes

		LAC DT
Calculation of loss absorbing capacity of deferred taxes		C0130
Amount/estimate of LAC DT	R0640	-109,473
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	R0650	-109,473
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	R0660	0
Amount/estimate of LAC DT justified by carry back, current year	R0670	0
Amount/estimate of LAC DT justified by carry back, future years	R0680	0
Amount/estimate of Maximum LAC DT	R0690	-122,644

S.28.01.01 – Minimum Capital Requirement - only life or only non-life insurance or reinsurance activity

		C0010
Linear formula component for non-life insurance and reinsurance obligations	R0010	276,698

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		25,016
Income protection insurance and proportional reinsurance	R0030		347,493
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		969,798
Other motor insurance and proportional reinsurance	R0060		0
Marine, aviation and transport insurance and proportional reinsurance	R0070		2,388
Fire and other damage to property insurance and proportional reinsurance	R0080		174,321
General liability insurance and proportional reinsurance	R0090		1,425
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

		C0040
Linear formula component for life insurance and reinsurance obligations	R0200	688

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	18,430	
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230	0	
Other life (re)insurance and health (re)insurance obligations	R0240	0	
Total capital at risk for all life (re)insurance obligations	R0250		8,621

Overall MCR calculation

		C0070
Linear MCR	R0300	277,386
SCR	R0310	2,601,759
MCR cap	R0320	1,170,792
MCR floor	R0330	650,440
Combined MCR	R0340	650,440
Absolute floor of the MCR	R0350	4,000
		C0070
Minimum Capital Requirement	R0400	650,440