

# Vienna Insurance Group

**Type of Engagement:** Allocation Review  
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## Introduction

In 2021, Vienna Insurance Group (VIG) issued the Sustainability Bond to finance projects that promote greener buildings, renewable energy use, cleaner transportation, energy efficiency, increase affordable housing and access to essential services. In 2024, VIG engaged Sustainalytics to review the projects and assets funded with proceeds from the sustainability bond and provide an assessment as to whether the projects and assets met the use of proceeds criteria outlined in the Vienna Insurance Group Sustainability Bond Framework (the "Framework"). Sustainalytics has calculated the estimated impact achieved by the sustainability bond in the green buildings category in a separate report.

## Evaluation Criteria

Sustainalytics evaluated the projects and assets funded with proceeds from the 2021 sustainability bond based on whether the projects and programmes met the use of proceeds and eligibility criteria of the Framework.

**Table 1: Use of Proceeds, Eligibility Criteria and Associated KPIs**

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
<b>Green Buildings</b>	Investments in real estate (including new buildings and renovations), that have received or are expected to receive: <ul style="list-style-type: none"> <li>• BREEAM Certification (Outstanding, Excellent, or Very Good)</li> <li>• LEED Certification (Platinum or Gold)</li> <li>• OGNI Certification (Platinum or Gold)</li> <li>• DGNB (Platinum or Gold)</li> <li>• Klimaaktiv (Gold or Silver)</li> </ul>	tCO <sub>2</sub> e avoided
<b>Renewable Energy</b>	Investments relating to the construction, development, acquisition, maintenance, and operation of renewable energy projects / facilities / companies including solar and wind power, hydropower, and geothermal.	tCO <sub>2</sub> e avoided
<b>Clean Transportation</b>	Investments relating to the development, construction, acquisition, maintenance, and operation of electric rail infrastructure and electric rolling stock for both passenger and freight transportation: <ul style="list-style-type: none"> <li>• For passenger transportation, where carbon intensity of transportation is less than 75g CO<sub>2</sub>e/passenger km</li> <li>• For freight transportation, where such transportation does not involve fossil fuels</li> </ul> Investments relating to the development, construction, acquisition, maintenance, and operation of Battery Electric Vehicle infrastructure.	tCO <sub>2</sub> e avoided

<b>Resource and Energy Efficiency</b>	Investments which serve to improve the energy efficiency of the electricity grid/energy system, and/or establish additional energy storage capacity.	tCO <sub>2</sub> e avoided
<b>Affordable Housing</b>	Investments in construction, refurbishment, maintenance and operation of housing meeting the relevant statutory definitions of affordability.	Number of affordable housing units upgraded and added to supply
<b>Access to Essential Services</b>	Investments in health, education and vocational training, healthcare, financing and financial services.	Number of beneficiaries

## Issuer’s Responsibility

VIG is responsible for providing accurate information and documentation relating to the projects funded, including the description of projects and amounts allocated.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings to investors, conducted the verification of the use of proceeds from the VIG’s Sustainability bond. The work undertaken as part of this engagement included collection of documentation from VIG and review of said documentation to assess conformance with the Vienna Insurance Group Sustainability Bond Framework.

Sustainalytics relied on the information and facts presented by VIG with respect to the funded projects. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by VIG.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

## Conclusion

Based on the limited assurance procedures conducted,<sup>1</sup> nothing has come to Sustainalytics’ attention that causes us to believe that, in all material respects, the reviewed projects do not meet the use of proceeds criteria outlined in the Vienna Insurance Group Sustainability Bond Framework. VIG has disclosed to Sustainalytics that the proceeds from the sustainability bond were fully allocated on February 2, 2024.

<sup>1</sup> Sustainalytics limited assurance process includes reviewing the documentation relating to the details of projects, including description, estimated and realized costs, and project impact, as provided by the Issuer, which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

## Detailed Findings

**Table 2: Detailed Findings**

<b>Eligibility Criteria</b>	<b>Procedure Performed</b>	<b>Factual Findings</b>	<b>Error or Exceptions Identified</b>
<b>Use of Proceeds Criteria</b>	Verification of the projects funded with proceeds from the sustainability bond in 2021 to determine if the projects meet the use of proceeds criteria outlined in the Vienna Insurance Group Sustainability Bond Framework.	All projects reviewed complied with the use of proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of the projects funded by the sustainability bond in 2021 to determine if impact of projects was reported in line with the Vienna Insurance Group Sustainability Bond Framework.	All projects reviewed reported on at least one KPI per use of proceeds category.	None

## Appendices

### Appendix 1: Allocation Reporting by Eligibility Criteria

The table below provides a category-wise allocation of use of proceeds in the VIG Sustainability Bond in March 2024:

Use of Proceeds Category	Amount Allocated (M EUR)	Percentage of Use of Proceeds (%)
Green Buildings	299.17	59.5
Renewable Energy	81.30	16.2
Clean Transportation	86.00	17.1
Affordable Housing	16.15	3.2
Access to Essential Services	20.05	4.0
<b>Total Amount of Proceeds Allocated</b>	<b>502.67</b>	<b>100.0</b>

### Appendix 2: Impact Reporting by Eligibility Criteria

Use of Proceeds Category	Environmental Impact Reported by Eligibility Criteria <sup>2,3</sup>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>40,151 tCO<sub>2</sub>e avoided through offshore wind farm with energy generation of 109.70 GWh</li> <li>4,073 tCO<sub>2</sub>e avoided with 19.87 GWh of electricity generated through solar PV</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>Financing of three electric passenger rails with carbon intensity between 23.70 - 28.38 g/pkm</li> </ul>
<b>Affordable Housing<sup>4</sup></b>	<ul style="list-style-type: none"> <li>553 housing units</li> </ul>
<b>Access to Essential Services</b>	<ul style="list-style-type: none"> <li>Extension of a primary and high school benefiting around 240 pupils</li> </ul>

<sup>2</sup> All impacts are calculated for the period from 3 March 2023 to 31 December 2023.

<sup>3</sup> The environmental impact created by investment in green buildings has been reported separately by Sustainalytics in the "Import Report for Bonds and Loans".

<sup>4</sup> Building Rights granted to Non-Profit Housing Societies as defined by the Austrian federal law of 8 March 1979 on Charitable Housing (Wohnungsgemeinnützigkeitsgesetz – WGG), as amended and updated.

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