

COMPENSA 

VIENNA INSURANCE GROUP

FINANCIAL

SECTOR LEADER
IN LITHUANIA 

2022



2022

SOCIAL RESPONSIBILITY REPORT

As a member of Vienna Insurance Group, Compensa Vienna Insurance Group ADB provides insurance services in Lithuania, Latvia and Estonia. Pursuant to our social policy and mission of Vienna Insurance Group, the company aims to be socially responsible and contribute to the welfare of society.

Our approach to our stakeholders (e.g., customers, employees, business partners and shareholders) is based on honesty and sustainability. Our priorities are primarily related to building trust and security. In order to achieve its goals, the company strictly adheres to the standards laid down in its Code of Business Ethics, the Equal Opportunities Policy, the Anti-Fraud Policy, Bribery and Corruption Policy and the Procedures for Ensuring fair Competition, which are based on our values.

SUSTAINABILITY AND ENVIRONMENTAL MANAGEMENT

As part of the strategy program Compensa '24, in 2022, one of the Company's priorities was the creation of its ESG (Environmental, Social & Governance) strategy.

The defined operational plan included:

1. Refinement of strategic directions;
2. Employee training and engagement;
3. Certification;
4. Monitoring plan;
5. ESG risk management.

1. STRATEGIC DIRECTIONS

While developing the Vienna Insurance Group's ESG strategy, we have defined 5 main strategic directions in Compensa, in which we will aim for a tangible result:

- ▶ Sustainable investments;
- ▶ Development and promotion "green products";
- ▶ Optimization of our operational CO2 footprint;
- ▶ Social responsibility and support for vulnerable groups of society;
- ▶ Improving customer experience.

2. EMPLOYEE TRAINING AND ENGAGEMENT

During the year 2022, we have accumulated a considerable amount of information about the current FSG situation in the world and what actions we could take to reduce the impact on the environment. We encourage our employees to take interest in this information as well — we have created the Sustainability Academy on the Compensa Vienna Insurance Group ADB training platform, accessible to all employees of the company, where we regularly provide sustainability-related information.

SUSTAINABILITY ACADEMY

We have created the Sustainability Academy on the Compensa Vienna Insurance Group ADB training platform.



Our Planet: Our Business.2019

- ▶ The global business community can be a powerful force to drive action for nature - find out why we are confident that change is possible. Our Planet: Our Business, a new film for business inspired by the Netflix series Our Planet, is available to watch now.

Global population growth, box by box. Hans Rosling, 2019

- ▶ The world's population will grow to 9 billion over the next 50 years -- and only by raising the living standards of the poorest can we check population growth. This is the paradoxical answer that Hans Rosling unveils at TED@Cannes using colorful new data display technology.

Climate Interactive EN-ROADS

- ▶ Observe how the climate has changed in all countries (any country can be found).

Climate Stripes Generator

- ▶ A virtual climate change scenario simulator.

3. CERTIFICATION

In 2022, we implemented and were certified according to the requirements of the ISO 14001 standard. We are committed to ourselves and our stakeholders to comply with environmental requirements and to properly prepare for an external ISO 14001 audit every year.

We confirmed our commitments in the Baltic States using the Environmental Protection Policy.

We continue to actively follow changes at the global, European and national levels, and strive to meet not only legal requirements but also to act voluntarily in the Sustainability improvement field.

4. MONITORING PLAN

We have set indicators with which we measure and evaluate the progress of the company's Sustainability:

- ▶ Amount of paper used;
- ▶ Employee participation in Social Activities;
- ▶ Amount of electricity consumed;
- ▶ Amount of fuel consumed;
- ▶ Commitment of new suppliers to environmental requirements (measured since 2023).

5. ESG RISK MANAGEMENT

ESG risk assessment is included in the company's annual risk assessment. The significance of ESG risks and possible future changes are assessed, and risk mitigation actions are planned. The risk of climate change and its possible negative impact on the company is assessed in the annual assessment of risk and solvency, when the impact of global warming of 1.5, 2.0 and 3.0 degrees is analysed.

GREEN ECONOMY AND DEVELOPMENT OF INSURANCE SERVICES

In support of the European Union's goal to become the first climate-neutral continent by 2050, we are committed to innovative and responsible actions. Understanding the importance of this commitment globally and locally, Compensa Vienna Insurance Group aims to contribute and become an insurance expert for the transformation of the green economy.



In 2022, we introduced the CASCO insurance services package adapted to electric vehicles to the market. We became one of the first to separate electric vehicles from vehicles powered by internal combustion engines, adapting the service specifically to the properties of electric vehicles.



In 2023, we will continue to develop other services relevant to the field of green economy, taking into account experience and customer priorities. It is important to us that the insurance service not only meets today's needs, but also anticipates the needs of the modern consumer and business in the near future — we will also prepare special offers for green economy facilities.

FIGHTING BULLYING ON SOCIAL NETWORKS

Realising that social networks have become a virtual home for a large number of people, Compensa Vienna Insurance Group takes active steps and leadership to promote respectful behaviour in this space and educate both children and adults, as well as to help people who become victims of bullying on social networks.

In 2022, we introduced the **Neapykantai STOP** (STOP Hate) service, which can be applied together with the client's property insurance coverage. STOP Hate provides protection in cyberspace – it helps fight hate speech and other safety issues on social networks. The insured is provided with psychological, IT specialist and legal assistance, information and relevant services that are necessary to avoid, reduce or eliminate unwanted consequences of events in the social network space.



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SOCIAL ACTIVE DAY IN THE COMPANY

Since 2011, the companies within Vienna Insurance Group have been encouraging their employees to be involved in the Social Active Day initiative. Its essence is that employees devote a part of their working time to helping socially vulnerable groups.

In 2022, we added a paid day off for Social Active Day to the list of Employee Benefits to encourage employees to become involved in the social activities planned by the Company or individually.

We aim for the number of employees participating in the Social Active Day to increase every year. The 2022 goal of Compensa Vienna Insurance Group ADB for the Baltic countries is to include at least 40% of its employees in the Social Active Day (2021 goal — 30%).

This goal was achieved — 429 employees (48%) participated in different initiatives organised by the company in Lithuania, Latvia and Estonia.

SUPPORT FOR VULNERABLE SOCIAL GROUPS

In 2022, we established significant long-term cooperation with the support and charity fund Mamų Unija (Mothers' Union) and the Order of Malta, and we established the directions for long-term cooperation with both organisations, as well as continued cooperation with other organisations.



Order of Malta: together we defined 5 long-term volunteering directions and suggested them to our colleagues. We have agreed on long-term cooperation in the project “Preparation of children and young people for independent life” — we have 2 volunteers who, in cooperation with the representatives of the Order of Malta, have taken responsibility to engage in long-term mentorship of young people. Colleagues across Lithuania were actively involved in the project “Kindness cake with the Order of Malta”; they baked and prepared festive cakes and food packages for the elderly and disabled people.



Mothers' Union: the employees were involved in the Family Home housekeeping work, helped in organising Christmas gifts for the children were invited to the children Christmas performance organised by Compensa. We provided support to the Mothers' Union with household appliances and furniture, which we purchased using the funds collected during Pie Day. Colleagues working in different Lithuanian cities contributed to the Pie Day initiative.



Lithuania: 168 employees volunteered in activities organised by the Company in cooperation with the Food Bank, the Order of Malta, the Mothers' Union, Caritas Lithuania and animal shelters.



Latvia: 165 employees were actively involved in organising support and creating a Christmas celebration for families from Ukraine. Having dedicated a large portion of their own Christmas event to attention and help for Ukraine. The colleagues worked hard and packed more than 200 gifts for Ukrainian children. In cooperation with the social service of the Ropaži Municipality, our colleagues brought gifts to the Ukrainian children staying in their region, and the Ukrainians in the Latvian community made sure that our gifts also reached Ukrainian children with disabilities.



Estonia: 97 employees participated in 4 initiatives of the Company: they continued the tradition and did household chores at the Iru nursing home, volunteered at the Tartu animal shelter, knitted nets for the Ukrainian army, devoted time to work at the Parnu Children and Youth Support Centre.



SOCIAL ACTIVITIES AT THE INITIATIVE OF EMPLOYEES

Compensa Vienna Insurance Group ADB also supports and encourages the employees' own internal social initiatives. It has become a tradition to annually contribute to the initiative of the employees in fulfilling the dreams of the children fostered in Naujieji Valkininkai, Žilina and Varėna orphanages. The children make the list themselves, in which the most necessary everyday items and learning tools are listed at the top. In 2022, we contributed to the fulfilment of larger domestic needs – using the collected funds, all necessary needs were fulfilled, and additionally, the employees organised holiday gifts and entertainment for the children.

SUPPORT FOR SPORTS AND CULTURE

Compensa Vienna Insurance Group ADB constantly emphasises the importance of not only teamwork, but also active social activities. Therefore, contributing to projects and initiatives that are of importance to the country is one of our goals. In 2022, we continued our successful and inspiring partnership with the Lithuanian Basketball League. We also aim to contribute to the development of young talents.



In 2022, we provided support for cultural projects — together with the Vienna Insurance Group, we became sponsors of the exhibition of the Austrian artist A. Brauer, and continued cooperation and extended the right to use the Compensa trademark to the concert hall Compensa Concert Hall.

PROMOTING EQUAL OPPORTUNITIES AND ENGAGEMENT

Equal opportunities	Our standard is to treat all employees and job applicants equally, regardless of gender, race, nationality, language, origin, social status, beliefs, convictions or views, age, sexual orientation, disability, ethnic origin or religion, and family status. The Company embraces the diversity of its employees and strives to ensure their fair treatment. The employment of any person is based only on his or her abilities, qualifications, experience and professional qualities. The diversity of personalities, cultures and languages prevails in the company — this is one of our strengths. In 2022, we started equal opportunities and engagement monitoring — we survey our employees, analyse the results and create an improvement plan based on these results. The study revealed that 96.5% of respondents agree that everyone has equal opportunities to work successfully in our company; 98% of respondents confirm that managers support the value of diversity; 96% agree that all employees of the company are treated fairly, regardless of age, gender, or social views; 95.5% agree that the Company has a favourable environment for expressing opinions and ideas openly and freely.
Transparency	We make sure to stay transparent when making decisions. Our employees have equal opportunities for careers and changes, regardless of their age, gender, sexual orientation, disabilities, ethnic origins or religious preferences, and family status. We ensure equal working conditions and equal opportunities to improve qualifications and develop skills. All employees performing the same work are entitled to equal pay.
Employee engagement	We are open to all ideas and encourage dialogue with employees. In 2022, we announced several initiatives and encouraged employees to submit ideas, suggestions, and participate in discussions. We aim to provide feedback on everyone's opinion — it is important for us that colleagues feel part of the Company and are involved in business decisions
Respect	Our relations with employees, business partners and institutions are characterised by mutual, respectful, and reliable cooperation. We are open to communication and cooperation at both national and international levels.

PURPOSE OF BUSINESS AND OUR VALUES

We have dedicated the year 2021 to defining and consolidating the Purpose and Values of our business. We refined the purpose and values of the business in several stages, actively encouraging the involvement of employees in the process. It is important for us that the purpose and values of the business are a solid foundation for our activities, reflect the common opinion and attitude of the team, so that we are guided by it both in our daily tasks and when planning our long-term goals.

In January 2022, the formulated purpose and values of the Company's business were announced, and over the course of the year, employees actively discussed them, consolidated them in engagement tasks, shared them with partners and customers. We also use questions of purpose and values for the selection of new employees and competency assessment processes.

Purpose of business:

We deliver protection for your prosperity.

Values:

- ▶ Being trustworthy;
- ▶ Going extra mile;
- ▶ Driving innovations;
- ▶ Bringing simplicity.

Slogan:

Protecting what matters.

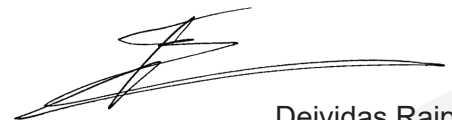
PREVENTION OF CORRUPTION AND BRIBERY

In our operations, we strictly adhere to legal acts, ethics and moral norms in force in the countries and in the European Union. We are against any form of corruption and bribery. The Company has implemented bribery and corruption processes that ensure transparent company operations.

Compensa Vienna Insurance Group ADB is committed to complying with all anti-bribery and anti-corruption laws in all countries in which it is established by providing insurance services and thereby monitoring the compliance of its employees and insurance agents with these laws. This procedure is integral to and applies in conjunction with the Conflict of Interest Policy, as well as the Compliance Policy and the Code of Business Ethics for compliance with ethical principles.

COMPETITION

We follow the rules of fair competition in our business activities. The Company aims to protect, maintain and create free, fair and equal competition, obliging to suspend the activities that restrict trust and competition, determining the responsibility of the persons at fault for restricting trust and competition. Unfair competition is prohibited in the company, all employees must avoid any actions that violate or may violate the rules of non-dominance and competition.



Deividas Raipa
Chief Executive Officer and Chairman of the Management Board