



**Separate Non-financial Group Report
of OVB Holding AG 2020**



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About this report

OVB Holding AG is publishing a Separate Non-Financial Group Report (“Non-financial Report”) for the 2020 financial year in accordance with Sections 315b and 315c in conjunction with Sections 289c to 289e of the German Commercial Code (Handelsgesetzbuch – HGB). The Non-financial Report is available to the public on the Company’s website.

Unless otherwise indicated, the Report’s content refers to the entire OVB Group, i.e. to all companies included in the 2020 consolidated financial statements. A complete list of consolidated companies is provided under “Consolidated entities” in the Notes to the consolidated statements in the Annual Report 2020.

The reporting period is the 2020 financial year from 1 January 2020 to 31 December 2020.

OVB considered the option of aligning preparation of the Separate Non-Financial Group Report with generally applicable sustainability reporting frameworks. Because OVB has not voluntarily reported on sustainability in the past, this process is currently still being established. For this reason and due to the specialised business model and corporate structure in place at the Company, OVB has not exercised this option to date after reviewing the relevant frameworks. OVB will re-evaluate their applicability at a later date.

The German Commercial Code requires reporting on material topics covering five aspects: environmental issues, employee interests, social issues, respect for human rights and combating corruption and bribery. The structure of the Non-financial Report’s content reflects the statutory requirements and is intended to provide transparency regarding the non-financial aspects of OVB Holding AG’s business activities. The disclosures and information in the Non-financial Report focus on the material topics determined for OVB Holding AG. Satisfied clients with a high propensity for recommending the Company to others are key to the success of OVB Holding AG in the long run. Alignment with client interests is therefore an essential non-financial factor in the Group’s positive performance. OVB Holding AG therefore additionally reports on a sixth aspect in the “Client interests” section.

A seventh aspect is outlined by OVB in the “Reliable partner to independent financial advisors” section, which additionally covers issues of concern to the independent financial advisors working for the Company who advise and serve clients throughout Europe. Qualified and motivated independent financial advisors are a major factor in OVB’s business success. Furthermore, the Non-financial Report contains the required disclosures on the business model and indicators for assessing non-financial risks.

The Group’s risk management system is the basis for and means of ensuring that material risks are identified, assessed, managed, monitored and communicated. Sustainability risks have also been assessed using this process since 2020. OVB Holding AG’s risk profile was dominated by the COVID-19 pandemic in financial year 2020: Market conditions became increasingly challenging once the first quarter of 2020 ended. Governments reacted to the rapid spread of the virus with sometimes very strict limitations on freedom of movement, restrictions on gatherings of larger groups of people, and travel restrictions, which directly affected OVB Holding AG’s services. These limitations on face-to-face contact with clients adversely affected the everyday business activities of the independent financial advisors. At the same time they observed changes in client behaviour and a considerable demand for information. In-house workflows in all head offices of OVB sales subsidiaries required adaptation to staff working from home. In this situation, the safety and health of every individual – clients, staff, financial advisors – was our top priority and at the centre of our activities. At the end of February, we set up a crisis management team under the leadership of the Group’s Executive Board to manage operating procedures and recommendations for the conduct of staff working inside and outside the Company. The sales subsidiaries similarly instituted suitable practices in line with local conditions. In addition to the constitutive meetings of the Supervisory Board, possible effects on the business and necessary measures were also discussed outside of meetings with Supervisory Board members. Larger events that had been planned were cancelled early on, and business travel was quickly reduced to a minimum or eliminated entirely and replaced with online meetings. In addition to health risks that could affect each individual, potential quarantine measures and the effects of possible cases of infection in business operations presented a heightened risk for OVB.

Editorial note: In the interest of readability, gender-neutral language has been used in this report.

OVB very rapidly took steps to ensure that administrative and sales-related business processes could be conducted remotely in all sales subsidiaries. The Company was therefore in the position to perform the full range of advisory and sales-related activities without having to be in-person with clients as usual and was also able to guarantee the continuation of all administrative processes – mostly by staff working from home.

Based on the Group's early risk identification system, and in the estimation of the Executive Board, OVB did not identify any material risks after taking into account risk mitigation measures in the reporting period that are associated with the OVB's own business activities or with its business relationships, products or services, and that are or will be very likely to have a significant negative effect on the material non-financial aspects of OVB's business.

The risk management system is described in the "Report on opportunities and risks" in the combined management report of OVB Holding AG in the Annual Report 2020. Moreover, no figures are reported in the consolidated financial statements that refer to the aspects of the business covered in this Separate Non-financial Group Report.

The Separate Non-financial Group Report was audited with limited assurance by Wirtschaftsprüfungsgesellschaft PricewaterhouseCoopers GmbH in accordance with the ISAE 3000 (Revised) Standard.

References to disclosures outside of the group management report and the consolidated and single-entity financial statements of OVB Holding AG are supplementary information and therefore also do not constitute part of this Report.

Business model/business activities

Founded in 1970, OVB stands for long-term, comprehensive and above all client-oriented one-stop financial consulting. The main target group is private households in Europe.

OVB works with more than 100 high-performance providers and uses competitive products to serve its clients' individual needs, from subsistence and property/asset insurance to pensions and asset building and growth.

With 3.96 million customers, 5,248 financial advisors and activities in 15 national markets currently, OVB is one of Europe's leading financial brokerage groups. In the year under review, the OVB Group had an average of 650 employees (previous year: 620 employees).

The Company is headquartered in Cologne, Germany.

As the management holding company, OVB Holding AG is at the top of the OVB Group. It determines the strategic goals and secures the aligned business policies. Operations are distributed among three geographical

segments – Central and Eastern Europe, Germany and Southern and Western Europe. OVB is a private-sector, listed financial services provider focused on sustained growth of its enterprise value.

In addition to focusing on client interests, OVB aligns its business with the interests of the independent financial advisors working for the Company with the aim of long-term partnerships. OVB intends to continually expand its sales organisation. Winning new clients and intensifying the business relationship with each and every one of them offers additional sales and earnings potential.

OVB has pursued its medium-term "OVB Evolution 2022" strategy since 2017. This strategy is oriented toward a long-term vision as a benchmark, defines strategic targets and comprises four basic cornerstones to which strategic initiatives are assigned. OVB has defined strategic targets to sustainably expand the sales organisation, widen the client base, increase the volume of business with individual clients, boost customer satisfaction, step up online marketing, digitise processes and sales support, and move into further national markets in Europe. By increasingly digitising business processes and sales support, OVB emphasises client and financial advisor satisfaction and aims to improve efficiency noticeably. In 2020 OVB made substantial strides in the digital transformation of the Group.

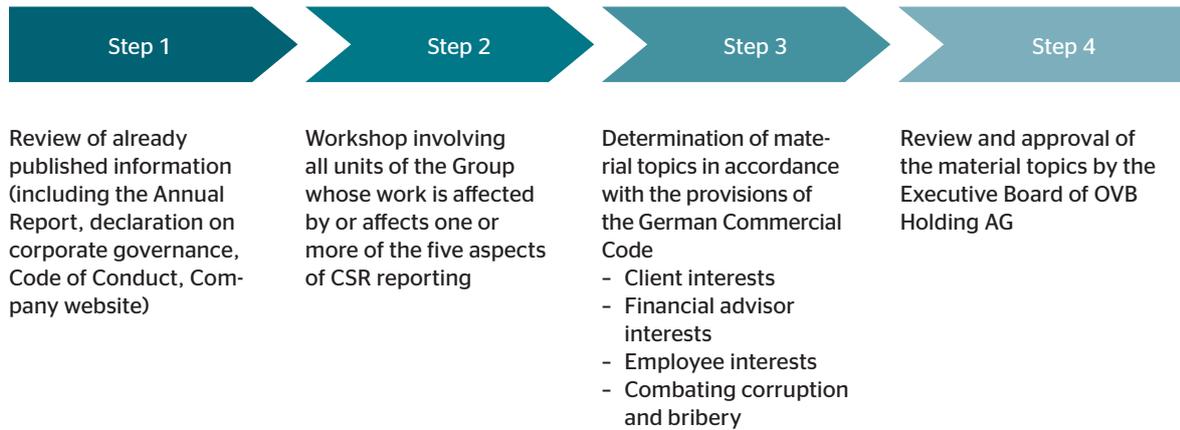
Additional information on OVB Holding AG's business model is available in "Basic information on the Group" in the combined management report of OVB Holding AG in the Annual Report 2020.

Determination of material topics for the Non-financial Report

OVB initially identified the Company's key stakeholder groups in the 2018 financial year in a multi-stage process involving the relevant units of the Group and management.

This process took place against the backdrop of its corporate history stretching back 50 years, countless advising sessions with clients, a continual exchange of opinions with financial advisors across all hierarchical levels, interviews with applicants and performance reviews with employees, regular consultations with product partners and in-depth investor relations activities.

Building on this foundation, the non-financial aspects of the business subject to disclosure requirements were assessed for their relevance for OVB, whilst the individual issues were reviewed for materiality within the meaning of Section 289c (3) HGB. During this process, internal factors such as OVB's goals, strategies and risks were considered, as were external factors such as the interests and expectations of relevant stakeholder groups and the effects of OVB Holding AG's business activities.



The following non-financial aspects were identified as material, because they have a significant economic, social or environmental impact on the OVB Group or reflect the key interests of our stakeholders:

Relevance of non-financial aspects for OVB Holding AG

| Non-financial aspect | Topics defined as material for the OVB Group in accordance with Section 289c (3) HGB | Relevance for business in the long term | Reporting in section |
|---|---|---|--|
| Client interests (additional aspect) | <ul style="list-style-type: none"> – Long-term relationships with clients – Product portfolio with selected product partners tailored to client needs with an increasing focus on sustainability – Digitalisation and customer service | High | “Client interests” |
| Financial advisor interests (additional aspect) | Reliable and stable compensation and career plan for independent financial advisors, transfer of knowledge and promotion of entrepreneurship | High | “Reliable partner to independent financial advisors” (financial advisor interests) |
| Employee interests | Employee interests, training, professional development, working conditions | High | “Attractiveness as an employer” (employee interests) |
| Combating corruption and bribery | Responsible corporate governance, compliance, prevention of money laundering and terrorist financing, effective data protection | High | “Combating corruption and bribery” |

OVB Holding AG’s business model means it does not fall into the category of manufacturing industries with high energy and resource usage and complex global supply chains. Value is created at OVB by providing all-around advising and services to clients with regard to financial issues. We do not have products of our own, but instead broker financial products originated by our product partners. Voluntary engagement in social issues

by our financial advisors and employees contributes to learning about other perspectives and promoting social interaction. In this way, OVB and its business model play a role in responsible and sustainable activity in society. Nonetheless, the non-financial aspects listed below are not currently material aspects for the Company within the meaning of the German Commercial Code.



| Non-financial aspect | Currently no topics defined as material for the OVB Group in accordance with Section 289c (3) HGB | Reporting in section |
|--------------------------|---|----------------------------|
| Social issues | Social engagement | "Social engagement" |
| Environmental issues | Raising awareness of resource conservation and resource efficiency | "Environmental issues" |
| Respect for human rights | Raising awareness among staff and financial advisors for respectful, tolerant and fair interaction with others at all times | "Respect for human rights" |

In the course of 2020 OVB once again reflected on the material topics required to understand its business performance, business results, the Company's situation and the effects on non-financial aspects. The Executive Board was continually involved in these deliberations. The results of the 2018 materiality analysis were confirmed and it therefore remains in effect. Sustainability issues that OVB wishes to assign even greater importance in future are already incorporated into internal guidelines, such as the OVB Code of Conduct, which was updated and elaborated in greater detail in 2020. In addition to compliance with the relevant statutory regulations, rules were formulated and added to the Code of Conduct that oblige the governing board members, employees and financial advisors to interact with one another and with clients and business partners in a responsible, sustainable, fair and professional way.

Client interests

Trust-based relationships with clients

OVB's financial advisors currently advise and serve 3.96 million clients, the majority of which are private households, in 15 European countries.

The number of OVB clients grew by 22 per cent from 2016 to 2020. Further increasing the number of clients and cementing long-term client relationships are key factors in assessing the success of OVB's business. Client satisfaction and sustained confidence in our products and services ensure client loyalty. OVB's broad-based, personal advising of clients in all financial matters is aligned with client interests.

Consulting starts with ascertaining and analysing the client's financial situation. In particular, advisors ask clients about their wishes and goals and develop customised solutions based on their personal financial circumstances. These plans aim to be long-term, affordable and sufficiently flexible. It is our goal to form close relationships with clients and serve them for many years. Reviews and adjustments of financial decisions to relevant changes in client requirements ensure needs-based insurance and pension concepts for clients adapted to their stage of life.

OVB highly prioritised the digitisation of business processes and sales support in the "OVB Evolution 2022" strategy, thereby putting the focus on client and financial advisor satisfaction and aiming to improve efficiency noticeably.

As of April 2020 we have had the capability throughout the Group to provide advisory services to clients online in addition to in-person at OVB offices or at our clients' homes. This option ranges from making appointments online to video chats to arranging contracts for specific products.

Within the scope of the OVB sales service plan as part of the "OVB Evolution 2022" strategy, OVB set itself the goal of increasing client satisfaction and boosting client loyalty by systematising and better organising client advising. After identifying and reviewing best practices in the Group in 2019 and 2020, the country-specific implementation of a coordinated advising approach is scheduled to start in 2021.

The continual refinement of our complaint management process is also helping OVB to improve customer satisfaction.

Complaint management systems have been established in all sales subsidiaries of the OVB Group and are used by OVB to continually improve service quality. Teams with the requisite training in the sales subsidiaries ensure fast and professional communication between clients, financial advisors and product partners and document and report on complaint processing in the interest of learning from mistakes. The back office activities in Group companies are based, among other things, on binding Group guidelines for ensuring quality, which also include the topic of complaint management.

OVB regularly conducts customer satisfaction surveys within the Group. For instance, the German subsidiary OVB Vermögensberatung AG conducted a customer satisfaction survey in 2020 as part of a strategic review.

Every time our clients actively recommend us to others is direct feedback for OVB and an indication of client satisfaction and confidence in OVB. The willingness of our clients to recommend OVB is therefore a key component of the business model.

In pursuing the strategy, OVB would like to step up the use of client surveys as a tool in future.

Additional information on the performance of client numbers is provided in the "Basic information on the Group" and "Business performance" sections in the

combined management report of OVB Holding AG in the Annual Report 2020.

Product portfolio tailored to client needs

OVB concentrates on advising and serving clients as a partner in all financial matters. For this reason, the Company does not develop products itself, but instead relies on selected product partners and their products to serve its clients' individual needs, from subsistence and property/asset insurance to pensions and asset building and growth. OVB works with more than 100 high-performance providers across Europe.

The day-to-day consultations our financial advisors hold with clients provide OVB with clear insights into which products with which features best fulfil the needs of our clients. These insights are fed into a systematic process for selecting products for the OVB portfolio and are the subject of a regular and open exchange of information with providers. When choosing partners and products in various countries, OVB's goal is to put together a partner and product portfolio for clients suitable for the conditions in the respective market. To achieve this goal, OVB developed the "premium-select strategy", which involves systematically reviewing and selecting product partners and their products according to a uniform plan applicable across the Group. The process is managed centrally by OVB Holding AG.

As a result of the COVID-19 pandemic, OVB contacted product partners very early on regarding assistance with contracts, which comprised a package of measures ranging from short-term solutions to problems to permanent contract amendments. In doing so, OVB observed a great willingness and flexibility among its product partners to support clients as needed, e.g. by temporarily putting premiums on hold, shifting the start of insurance policies after the fact, or temporarily expanding services, for instance to review whether pandemic coverage was included.

Generally, the Strategic Product Management team ensures that a sufficient number of suitable products by different product partners are available for each of the cornerstones of the OVB advising process – subsistence, property/asset insurance, pensions and asset building and growth. OVB takes note of the performance capability of partners, with their financial strength, a stable ownership structure and above-average service quality the most important criteria assessed.

When collaborating with product partners, OVB works toward specifying standards to increase the efficiency and quality of products for clients.

OVB's product selection process is continually being refined. Social and environmental aspects are increasingly coming to the fore in investments. More and more, younger clients in particular, as well as families with children and people in the prime of life (clients aged 40 to 50) are expressing the desire to invest in products aligned with social and environmental issues.

Our financial advisors are also requesting sustainable solutions for their clients. It is our goal to be able to meet this growing client interest and demand for sustainable products in our advising process. At some OVB Holding AG subsidiaries, specifically in the German and Austrian market, we began discussions with product partners as early as 2019 to supplement our range with sustainable financial products. In 2020 ESG-compliant investment funds (which consider environmental, social and governance criteria) by various providers were available in the product portfolio either as direct investments or in the form of fund-based insurance. In the meanwhile, the Slovak and Spanish subsidiaries have also established the conditions necessary for including sustainable financial products in their product portfolios. Currently, nearly all European sales subsidiaries are in the midst of intensive discussions with their local product partners to expand the range of sustainable financial products throughout the Group.

During 2021, OVB will provide clients with information on sustainability risks on the company websites of the operating subsidiaries and actively integrate sustainability topics into the advising process. A Group-wide project to this end was launched under the management of the Group's Executive Board.

OVB does not currently conduct any explicit selection process according to environmental or social factors for proprietary financial investments. Our proprietary investments mostly feature a medium-term investment horizon. Our mid-term goal is to incorporate sustainability aspects into our investment decisions.

Reliable partner to independent financial advisors (financial advisor interests)

In addition to focusing on client interests, OVB also considers itself a company for entrepreneurs. At the end of the reporting period, 5,248 financial advisors worked full time for OVB in 15 European countries. They are responsible for advising and serving clients.

The financial advisors are independent sales agents in accordance with Section 84 HGB or comparable statutory regulations in various countries. OVB aims to continually expand the sales team and ensure their loyalty to the Company for the long term. Developments in the advisor base are the subject of regular reporting to the Executive Board and Supervisory Board. Positive or negative trends are analysed by management to determine their implications. Transparent contract drafting, performance-based compensation based on a commission model and a supplementary agreement providing a portfolio maintenance commission as well as other benefits such as payments in the event of occupational incapacity and support for survivors in the event of death are among the benefits used to retain independent financial advisors at OVB. Contract terms are reviewed on an ongoing basis and adapted to current developments; the same is true for OVB's services for financial advisors.

A key element for establishing trust-based client relationships is the professional training and professional development of the financial advisors who work for OVB. Only those with expert training can advise their customers optimally, and only when advising quality is high can OVB develop long-standing relationships with clients. The training and professional development of our independent financial advisors is a high priority for our Company.

For this reason, OVB years ago began establishing a high-quality, broad-based and internationally standardised training and professional development system designed for long-term cooperation with financial advisors – well before any legal requirements were passed. Its content is widely varied: The mandatory training content includes dealing with changes in the applicable law due to regulatory requirements in addition to the transmission of professional knowledge and preparation for examinations.

The opportunities additionally include training and professional development content on product innovations as well as leadership and developing soft skills. OVB continues to develop and systematise the training and professional development system used throughout Europe, not only due to regulatory requirements, but also in light of our own quality standards.

Regulatory requirements in effect across Europe require financial advisors to complete a specified number of hours of continuing professional education within a specific time frame. The Group companies monitor fulfilment of the training and professional development obligations of financial advisors. At Group level, OVB Holding AG's Qualification and Training manager coordinates the training and professional development initiatives in conjunction with the employees responsible for training and professional development at the OVB sales subsidiaries.

In 2020 OVB Holding AG implemented a Group-wide Learning Management System for the Company, which will methodically provide training content (primarily by way of e-learning modules or offerings like web-based training, blended learning or webinars), organise the education process and track learning outcomes. Along with their supervisors, OVB financial advisors can design their personal learning paths using a selection of modular training and professional development options. This selection is generally supplemented with numerous in-person events at OVB offices and the head offices of the Group companies.

Even prior to the spread of COVID-19 the Group's e-learning courses proved effective. The advantages such as flexibility in terms of time and place, easier integration into daily work, uncomplicated access and availability in various languages, and the flexible opportunities for controlling the speed of learning have proved successful. The transition of OVB's own training

and professional development options to online courses and virtual events was stepped up further by the pandemic. This effort conserves resources, e.g. due to the elimination of business travel.

In addition, OVB launched the development of an intuitive digital platform with Personal Development and Leadership Control modules in 2020. This further streamlines the onboarding of new financial advisors and supports sales supervisors with their leadership responsibilities in an even more systematic way.

Additional information on the performance of financial advisor numbers is provided in the "Basic information on the Group" and "Business performance" sections in the combined management report of OVB Holding AG in the Annual Report 2020.

Attractiveness as an employer (employee interests)

In the 2020 reporting period, an average of 650 permanent employees (previous year: 620 employees) worked at OVB Holding AG, in the main administrative offices of the sales subsidiaries and in the service companies. They support the independent financial advisors working for OVB, for instance by ensuring the service-oriented performance of all core processes, providing the necessary technical infrastructure, conducting training sessions, developing and implementing sales-promoting initiatives, performing administrative duties and providing support for compliance with regulatory requirements. These employees ensure OVB's long-term success. Working conditions and employer-provided benefits are aimed at making OVB a highly attractive employer. These serve both to attract and retain qualified employees. HR management in the OVB Group is generally handled by the HR departments of the respective Group companies. With the exception of Switzerland and Ukraine, OVB operates exclusively in the European Union and generally employs its staff under the European legal framework. For this reason, OVB employees are mainly subject to European labour laws. The terms of employment contracts and working conditions for employees generally far exceed the applicable legal provisions in the various countries in which OVB does business. In addition to compensation, other benefits such as asset-building benefits, subsidies for public transportation, and health management offerings such as sports and fitness classes are frequently provided.

In an extremely flexible work environment, it goes without saying that individually tailored and negotiated rules on flexible working hours, work in a home office, parental leave, part-time work and even longer-term, unpaid leave (sabbaticals) can be arranged for the employee's benefit as long as the individual's job allows for this.

A survey of employees of OVB Holding AG and the German subsidiary OVB Vermögensberatung AG conducted

in fall 2020 indicates that OVB is highly regarded for its corporate culture and values.

The results underscored OVB's positive corporate culture. Moreover, aspects such as job satisfaction and work-life balance also received positive ratings. Nearly all employees surveyed also confirmed OVB's professional and employee-oriented handling of the COVID-19 pandemic.

Issues that require action are currently being reviewed in detail by internal working groups in order to develop countermeasures.

Personal growth by way of the acquisition of new knowledge and skills is vital to the success of OVB Holding AG. The Company greatly values well-qualified, well-educated and motivated employees. In addition to mandatory professional development such as regular data protection training, OVB promotes the personal development of its employees in order to maintain and further improve their skills.

OVB ensures that talent is retained within the Company by offering job-specific and general training, IT training and special courses for executives.

During the COVID-19 pandemic, OVB extensively made use of the option for employees to work from home throughout Europe. This enabled OVB to protect the health of its employees and others, while also continuing to keep sales and operational workflows running despite travel restrictions and physical distancing rules. Information was often exchanged in video conferences and digital collaboration functioned well. The current situation in which nearly all employees are still working from home has reinforced the desire of many employees for permanent flexibility in working hours and locations. OVB recognises the strengths of the remote working model and would like to set up parameters governing remote work in Group guidelines without fundamentally putting into question the traditional, proven in-person organisation. Employees should be able to work remotely and scale this approach up or down as needed. A draft of such guidelines was written, initially for OVB Holding AG and the German subsidiary OVB Vermögensberatung, and will be rolled out soon.

The OVB Group's headcount rose moderately from an average of 620 employees in the prior year to an average of 650 permanent employees in the financial year under review. This indicates that OVB group companies have continued to seek employees, conduct the hiring process and bring new staff on board even in view of the COVID-19 pandemic. Most job interviews and conversations with candidates were held online.

The Executive Board of OVB Holding AG strives to increase the share of women in the first management

level below the Executive Board. To date, no specific selection criteria have been applied when filling positions.

In March 2017, the Executive Board resolved a 10.5 per cent target for the representation of women at the senior executive level below the Executive Board for the time period until 30 June 2022. Although this target is still in effect, the representation of women at the senior executive level below the Executive Board in 2020 again improved, amounting to more than 17 per cent at the end of 2020.

Combating corruption and bribery

Responsible corporate governance

Corporate governance is an essential foundation for sustainable business success. The Executive Board and Supervisory Board aim to secure the Company's continued existence, preserve its ability to create value for the long term, and ensure its reputation for reliability and trustworthiness by practising responsible corporate governance. As a group of companies doing business internationally, OVB is subject to a broad range of legal systems. The OVB Group transacts its business in compliance with the laws and official regulations of the countries in which the Company operates. OVB has a no-tolerance policy on corruption and bribery.

This stance is reflected in the Code of Conduct of OVB Holding AG, which provides guidance and defines principles, values and standards of conduct for all employees. Governing board members, employees and independent financial advisors are therefore obliged to interact with one another and with clients and business partners in a responsible, sustainable, fair and professional way. The Code of Conduct stipulates rights and duties stemming from various laws, works agreements, procedural guidelines, work instructions and reciprocal rights and duties under employment contracts. The objective of the Code is to raise awareness among employees and independent financial advisors of the applicable provisions. In addition, all employees, executives, Executive board members and independent financial advisors are expected to comply with the ethical rules and principles contained in the Code. By introducing such an integrity-based Code, OVB is creating and maintaining security, transparency and the good reputation and confidence in the entire group of companies. The OVB Code of Conduct stipulates minimum standards that all employees must be aware of and adhere to and is supplemented by OVB Group guidelines containing separate rules on other specific topics.

The Code of Conduct aims to promote honest conduct and action based on ethical considerations and goals. In financial year 2020 the updated and expanded version of this Code of Conduct was rolled out throughout the Group.

Surveys on the OVB Code of Conduct are regularly conducted in the OVB Group under the leadership of the Head of Compliance. These focus on the receipt and comprehension of and compliance with the Code of Conduct. In 2020, the OVB Holding AG Compliance team surveyed the sales subsidiaries to determine whether all employees of the Group companies understand and comply with the Code of Conduct.

Possible violations of the Code of Conduct are investigated and – if necessary – followed up with disciplinary measures.

Against the backdrop of the COVID-19 pandemic, the OVB Holding AG Compliance team surveyed the sales subsidiaries in 2020 to gain insight into topics such as labour law issues and compliance with data protection regulations during remote work and the associated risks. The results did not indicate any adverse findings.

Compliance

OVB considers compliance the legally and ethically faultless conduct of our staff in the day-to-day business. In particular, this includes preventing corruption, money laundering, terrorist financing and other acts punishable by law. Each employee has an impact on the Company's reputation as a result of his or her professional conduct.

The Executive Board set up a compliance management system designed to identify material legal regulations and requirements, the non-compliance with which could endanger OVB Holding AG's assets and result in material risks to its reputation. Compliance principles have been implemented at in the OVB Group. The compliance management system (CMS) based on the pillars "prevent, recognise, respond" is subject to a continuous internal updating process and constant review in consideration of changing legal requirements. OVB Holding AG's compliance management system is not limited to our own employees but also addresses the independent financial advisors who work for us in our various markets.

In order to prevent, identify and sanction violations of the law, OVB uses state-of-the-art information technologies such as e-learning modules in addition to continually training and raising awareness among employees.

Training on money laundering is mandatory for the employees of OVB's operating subsidiaries in 15 countries, for instance. Monitoring is the responsibility of the sales subsidiaries. Local compliance officers are required to report on the training conducted in annual reports to the Head of Compliance of OVB Holding AG. At the end of 2020, for example, training was launched for all employees of OVB Holding AG on the topic of data protection, which has not yet been completed. The country organisations are responsible for training the

independent financial advisors. In addition to the legal requirements (e.g. 15 hours of training and professional development per year), the independent financial advisors are offered additional training opportunities. Currently, a Group-wide whistleblower system has not yet been implemented, which is partly due to the fact that this requirement is not yet mandatory in all countries in which OVB does business. In Austria, for instance, internal reports can already be submitted in electronic form. As a rule, every individual has the option of forwarding tips to the compliance officers.

The Group's Head of Compliance reports directly to the Chief Financial Officer and regularly presents information to full sessions of the Executive Board and the Supervisory Board's Audit Committee. Local compliance officers from all OVB operating companies report to the Head of Compliance of the Group and handle all compliance-relevant situations in their companies. They additionally support the operating departments in complying with the requirements.

The Head of Compliance, the OVB Holding AG Compliance team and the local compliance officers regularly exchange information, e.g. concerning the further development of Group-wide compliance requirements or compliance-relevant issues in the OVB companies.

The compliance team of OVB Holding AG works closely together with the Executive Board, the management teams and other executives, advises and assists all employees in adhering to external and internal provisions. Violations of applicable law, relevant codes or in-house rules are not tolerated. The subject of compliance is very important to OVB Holding AG. A key instrument provided by the CMS for safeguarding compliance throughout the Group is the guideline management system at OVB Holding AG. In addition to the guideline management system, other internal control mechanisms are implemented as part of the CMS, particularly in order to meet EU-wide regulatory requirements adequately and in good time.

In particular, these include the requirements of the EU General Data Protection Regulation, the IDD (Insurance Distribution Directive), MiFID II (Markets in Financial Instruments Directive II) and the AMLD (Anti-Money Laundering Directive).

Compliance violations

There were no material violations in the 2020 financial year. Each individual case is investigated. Any violations are subject to appropriate disciplinary measures by OVB.

OVB reports voluntarily on the following aspects that are not classified as material by OVB.

Social issues

OVB's well-qualified financial advisors perform a valuable social service by serving as reliable partners to clients in all financial matters, protecting clients from diverse risks in accordance with the one-stop financial consulting approach, and in doing so, helping them to achieve their personal goals and aspirations.

In view of demographic developments in Europe and the limited robustness of existing social security systems, promoting private pensions will become increasingly important in future to prevent the threat of widespread poverty among the elderly population.

This basic understanding is the root of OVB's combination of successful entrepreneurship with social and societal engagement.

OVB engages in social issues, particularly charity and welfare, child and youth welfare, training and education, helping the elderly and public health.

Although this aspect is not a material topic for the OVB Group within the meaning of the German Commercial Code, examples of these issues are presented in this Report.

OVB's relief organisation in Germany, "Menschen in Not e.V.", was founded in 1983 and is financed with contributions by the financial advisors in Germany and executives and employees of OVB Vermögensberatung AG and OVB Holding AG.

The Company encourages our financial advisors and employees to become engaged in social issues and is proud of all those who volunteer their time and skills to charitable organisations.

The impetus for projects usually comes from the ranks of our financial advisors and employees. OVB supports this engagement by providing financial sponsorship along with access to staff for project management as well as material resources for these projects.

Solid reporting on the funds used is a challenge. In the medium term, OVB aims to set up project documentation in which the hours invested and the number of volunteers from within and outside the Company are recorded.

Expanding engagement in social issues internationally is a cornerstone of the "OVB Evolution 2022" strategy. The OVB national companies in Austria, Croatia and Romania have founded their own charitable organisations under the common name of OVB Charity and launched initial projects. In addition, a wide variety of community projects are run by independent financial advisors and employees in the local head offices in all European sales subsidiaries. These range from jointly organised blood donation drives to cash donations to

teaching finance in schools. Other activities are being planned by the OVB Group. The SOS Children's Villages are a long-time partner of OVB Charity. "Fit for life" is the overarching theme of this partnership which aims to conduct local initiatives to enable children and families to enjoy a liveable future. In 2020 a total of seven larger and smaller regional projects took place.

Environmental issues

In view of its core business as a financial brokerage, OVB is not a manufacturing company. The influence of OVB's business operations on the use of natural resources is low compared with the manufacturing industry and should not be considered a material aspect for the Company's business within the meaning of the German Commercial Code.

Nonetheless, the Company takes its responsibility for the environment seriously in all respects. The Company's Code of Conduct, which is binding for all employees of the OVB Group, stipulates that OVB and its employees must protect the environment by exercising careful stewardship of resources. According to this principle, working from a home office also contributes to protecting the environment.

For instance, OVB uses modern methods of communication media to conduct dialogue in executive meetings or meetings with other organisational units of the Group to reduce business travel. The Travel Management team at OVB Holding AG also supports resource-saving travel planning. The OVB Group's company car guidelines stipulates increasing the use of hybrid and electric vehicles by offering incentives to do so. The topic of digital transformation has made greater inroads in the day-to-day business of OVB financial advisors due to the digitalisation efforts as part of the "OVB Evolution 2022" strategy, which were amplified by the restrictions imposed by COVID-19 in 2020 and developments in mobile Internet access and mobile end user devices, such as laptops, smartphones and tablets. Their daily working environment is becoming less and less dependent on location, which in future will contribute substantially to conserving resources by reducing activities such as driving to meet clients.

Respect for human rights

It goes without saying that OVB Holding AG is committed to respecting human rights and avoiding forced and child labour. The companies of the OVB Group and the majority of the service providers and product partners commissioned by the holding company and Group companies are domiciled inside the European Union. The Code of Conduct obliges employees to respect and comply with human rights. Employees are required to contact the responsible office at the Company or other trusted contact in the event of any misconduct in this regard.

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting

To OVB Holding AG, Cologne

We have undertaken a limited assurance engagement of the Separate Non-Financial Group Report in accordance with Section 315b (3) HGB of OVB Holding AG, Cologne, (hereinafter the "Company") for the period from 1 January to 31 December 2020 (hereinafter the "Non-Financial Report").

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Non-Financial Report in accordance with Sections 315c in conjunction with 289c to 289e HGB.

This responsibility of Company's executive directors includes the selection and application of appropriate methods of non-financial reporting as well as making assumptions and estimates related to individual non-financial disclosures which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as they have considered necessary to enable the preparation of a Non-Financial Report that is free from material misstatement whether due to fraud or error.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards - in particular the Professional Code for German Public Auditors and German Chartered Auditors (BS WP/vBP) as well as IDW Standard on Quality Control 1 "Requirements for Quality Control in Audit Firms" (IDW QS 1) published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany (IDW)) - and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and other regulatory requirements.

Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Non-Financial Report based on the assurance engagement we have performed.

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions referred to in the Non-Financial Report.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the Company's Non-Financial Report for the period from 1 January to 31 December 2020 has not been prepared, in all material aspects, in accordance with Sections 315c in conjunction with 289c to 289e HGB.

In a limited assurance engagement the scope of assurance procedures performed is less than for a reasonable assurance engagement, and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's judgement.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and the performance of the materiality analysis
- Inquiries of management and personnel involved in the preparation of the Non-Financial Report regarding the preparation process, the internal control system relating to this process and the disclosures in the Non-Financial Report
- Identification of the likely risks of material misstatement of the Non-Financial Report
- Analytical evaluation of selected disclosures in the Non-Financial Report
- Comparison of selected disclosures with corresponding data in the consolidated financial statements and in the group management report of OVB Holding AG
- Evaluation of the presentation of the non-financial information

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the Company's Non-Financial Report for the period from 1 January to 31 December 2020 has not been prepared, in all material aspects, in accordance with Sections 315c in conjunction with 289c to 289e HGB.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company about the results of the limited assurance engagement.

The report is not intended for any third parties to base any (financial) decision thereon. Our responsibility lies only with the Company. We do not assume any responsibility towards third parties.

Frankfurt, 26 February 2021

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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