

DOCUMENT: PROPOSAL FOR APPROPRIATION OF PROFITS

EXPLANATORY INFORMATION ON ITEMS 1 AND 2 ON THE AGENDA

Presentation of the approved annual financial statements for 2018 including the management report, the consolidated corporate governance report 2018, the sustainability report 2018 (consolidated non-financial report), the consolidated financial statements for 2018 including the group management report, the proposal for appropriation of profits and the report of the Supervisory Board (Section 96 of the Austrian Stock Corporations Act [*Aktiengesetz/AktG*])

Resolution on appropriation of the net profit for the year as per the annual financial statements for 2018.

The approved financial statements for 2018 including the management report, the consolidated corporate governance report 2018, the sustainability report 2018 (consolidated non-financial report), the consolidated financial statements for 2018 including the group management report, the proposal on appropriation of profits and the report of the Supervisory Board (Section 96 of the Austrian Stock Corporations Act [*Aktiengesetz/AktG*]) have been available for inspection at the company and on the registered website during the period prescribed in Section 108 *AktG* and continue to be available for inspection and download on the company's website. The management report and the annual financial statements for 2018 (balance sheet, income statement and the notes) are included in the report on the entire year 2018. The group management report, the consolidated financial statements for 2018 (balance sheet, income statement and the notes), the report of the Supervisory Board and the consolidated corporate governance report 2018 are included in the annual report for 2018. The consolidated corporate governance report 2018 also includes the principles of remuneration of the Managing Board as defined by the competent committee of the Supervisory Board for Managing Board matters as well as a description of the diversity concept. The consolidated non-financial report is shown in the sustainability report 2018 according to Section 267a (1) Austrian Commercial Code [*Unternehmensgesetzbuch/UGB*] in conjunction with Section 267a (6) *UGB*.

The annual financial statements for 2018, which were prepared by the Managing Board in compliance with statutory provisions, and the management report and the consolidated financial statements for 2018 and the group management report have been audited by the auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (FN 269873y), and have been given unqualified audit certificates. In addition, the annual financial statements for 2018 including the management report have been audited by the audit committee of the Supervisory Board and by the Supervisory Board and adopted by the Supervisory Board in its meeting of 11 April 2019, by which they are approved in accordance with Section 96 (4) *AktG*. Also on 11 April 2019 the audit committee of the Supervisory Board and the Supervisory Board audited the consolidated financial statements for 2018 including the group management report, the consolidated corporate governance report 2018 and the sustainability report 2018 (consolidated non-financial report), found them to be in order and acknowledged the same.

The present proposal for appropriation of profits has been available for inspection at the company and on the registered company's website during the period prescribed in Section 108 AktG.

The audit committee of the Supervisory Board has studied the proposal for appropriation of the profit presented by the Managing Board, has found the same to be in order and has reported to the Supervisory Board on that audit result. Consequently, the entire Supervisory Board has dealt with the present proposal for appropriation of profits in its meeting on 11 April 2019 and resolved to agree to that proposal.

DOCUMENT: SHARE REPURCHASE AND SALE

EXPLANATORY INFORMATION ON ITEM 5 ON THE AGENDA

Share repurchase and sale

The authorisation of the Managing Board (approved by the Annual General Meeting of 12 May 2017) to acquire the Company's own no-par value bearer shares in accordance with § 65 (1) no. 4 and 8 and (1a) and (1b) AktG during a period of 30 months following the date of adoption of the Annual General Meeting resolution expires on 11 November 2019.

To enable the authorisation to continue without interruption, a new authorisation must be approved before the 30-month limit expires. The aim is therefore to cancel the existing authorisation and replace it with a new authorisation.

The Managing Board shall also be authorised to sell the acquired treasury shares pursuant to § 65 (1a) and (1b) AktG in a way other than via the stock exchange or a public offering without excluding the shareholders' subscription rights or with excluding them in whole or in part for a maximum period of five years from the resolution.

Reference is made to the resolution proposal by the Managing Board and Supervisory Board for item 5 on the agenda and the report of the Managing Board on item 5 on the agenda.

The report of the Managing Board has been made available to the Annual General Meeting and was published within the period provided for in § 108 (3) AktG (at least 21 days before the Annual General Meeting).

DOCUMENT: AMENDMENT OF § 8 (3) OF THE ARTICLES OF ASSOCIATION

EXPLANATORY INFORMATION ON ITEM 6 ON THE AGENDA

Amendment of § 8 (3) of the Company's articles of association

The articles of association of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe contain the following formulation with respect to the number of Managing Board members in § 8 (3) of the articles of association: "The Managing Board shall consist of at least 3 and no more than 7 persons. Substitute members may be appointed to the Managing Board. If a Managing Board member is appointed as Chairperson of the Managing Board, they shall have the casting vote in the event of a tie."

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe operates about 50 insurance companies in 25 countries, and each Managing Board member has country responsibilities. The aim is to create the option of appointing up to 8 Managing Board members due to further growth of the Group and increasing regulatory requirements.

The applicable changes to the articles of association can be seen in the comparison of articles of association changes available on the Company website registered in the commercial register.

The proposal to amend § 8 (3) of the articles of association was made available for inspection at the Company and on the Company website registered in the commercial register within the period provided for in § 108 AktG.

DOCUMENT: AUDITOR AND GROUP AUDITOR

EXPLANATORY INFORMATION ON ITEM 7 ON THE AGENDA

Election of the auditor and group auditor for the financial year 2020

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (FN [Business Register No.] 269873y) has presented to the audit committee and the Supervisory Board a list structured according to service categories regarding the auditing and consultancy services provided to the VIG Group by the auditor and the relevant network together with the offer as well as their licence to audit stock corporations. In addition, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft has represented that there are no circumstances that might give rise to their impartiality or exclusion of their firm and that safety measures have been taken that ensure an independent and impartial audit and that the auditing team, other persons of the Company, the auditing firm itself as well as employees of the network have adhered and will adhere to the relevant professional independence requirements. Moreover, a certificate has been presented to the effect that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft has participated in an external quality control and is registered in the register of the supervisory authority for auditors [*Abschlussprüferaufsichtsbehörde*] under registration number 0701115.

The audit committee of the Supervisory Board and the entire Supervisory Board have dealt with the election of the auditor and the group auditor and have thoroughly examined the documents presented by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. In the meetings of the audit committee and the Supervisory Board in April 2019 the audit committee of the Supervisory Board and, after the audit committee had made its report, the entire Supervisory Board passed resolutions to the effect that they intend to propose

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
(FN 269873y)

as auditor and group auditor for the financial year 2020.

The appointment of the auditor and the group auditor takes place before the start of the 2020 financial year to be audited in accordance with Section 260 (1) of the Insurance Supervision Act [*VAG*].

DOCUMENT: SUPERVISORY BOARD

EXPLANATORY INFORMATION ON ITEM 8 ON THE AGENDA

Elections to the Supervisory Board

Currently, the Supervisory Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe fulfils the minimum requirement according to Section 86 (7) AktG and consists of 10 members, thereof 4 women and 6 men. At the end of the Annual General Meeting on 24 May 2019, the term of office of all ten members will expire on a regular basis. The Supervisory Board shall continue to consist of 10 members elected by the Annual General Meeting. Therefore, 10 members of the Supervisory Board are to be elected in order to reach the previous number of 10 Supervisory Board members again.

Article 10 (2) of the Articles of Association of the VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe determines that the Supervisory Board consists of 3 to 10 members elected by the Annual General Meeting.

The Supervisory Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe must be comprised of at least 3 women and at least 3 men.

The Supervisory Board proposes the following 10 candidates to the Annual General Meeting for election to the Supervisory Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe:

Martina DOBRINGER
Rudolf ERTL
Gerhard FABISCH
Günter GEYER
Maria KUBITSCHEK
Peter MIHÓK
Heinz ÖHLER
Georg RIEDL
Gabriele SEMMELROCK-WERZER
Gertrude TUMPEL-GUGERELL

Further information on the candidates is available in the documents made available for inspection at the Company and published on the Company website within the period provided for in Section 108 AktG.

The proposed candidates have already declared that they are prepared to accept the position if they are elected to the Supervisory Board.

The documents concerned are the curricula vitae of the candidates, which show their professional qualifications, professional positions and comparable positions. The candidates have also signed a declaration pursuant to Section 87 (2) AktG stating that there were no circumstances that could give rise to concerns about impartiality or any final judgements for offences punishable by the courts that could raise questions about their professional integrity.

The candidate nomination proposal was prepared taking into account the personal qualifications and many years of experience that the candidates have with respect to the insurance business and VIG's focus on Austria and Central and Eastern Europe. In addition to a professionally balanced selection of Supervisory Board members, the diversity of the Supervisory Board in terms of the representation of both genders, the age structure and internationality of members was also taken into account appropriately.

In addition to the provisions of the Austrian Stock Corporation Act (AktG) and rules of the Austrian Corporate Governance Code, the provisions of the Austrian Insurance Supervision Act (Versicherungsaufsichtsgesetz – VAG) relating to the supervisory board of an insurance company were also observed and taken into account in this candidate nomination proposal.