

DOCUMENT: PROPOSAL FOR THE APPROPRIATION OF PROFITS

EXPLANATORY INFORMATION ON ITEMS 1 AND 2 OF THE AGENDA

Presentation of the approved annual financial statements for 2019 including the management report, the consolidated corporate governance report 2019, the sustainability report 2019 (consolidated non-financial report), the consolidated financial statements for 2019 including the group management report, the proposal for the appropriation of profits and the report of the Supervisory Board (Section 96 of the Austrian Stock Corporation Act [Aktiengesetz/AktG])

Resolution on the appropriation of the net profit for the year as per the annual financial statements for 2019

The approved financial statements for 2019 including the management report, the consolidated corporate governance report 2019, the sustainability report 2019 (consolidated non-financial report), the consolidated financial statements for 2019 including the group management report, the proposal on the appropriation of profits and the report of the Supervisory Board (Section 96 of the Austrian Stock Corporation Act [Aktiengesetz/AktG]) have been available for inspection at the Company and on the registered website during the period stipulated under 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 2019 (balance sheet, income statement and the notes) are included in the report on the entire year 2019. The group management report, the consolidated financial statements for 2019 (balance sheet, income statement and the notes), the report of the Supervisory Board and the consolidated corporate governance report 2019 are included in the annual report for 2019. The consolidated corporate governance report 2019 also includes the principles of remuneration for the Managing Board as well as a description of the diversity strategy. The consolidated non-financial report is included in the sustainability report 2019 according to Section 267a (1) Austrian Commercial Code [Unternehmensgesetzbuch/UGB] in conjunction with Section 267a (6) UGB.

The annual financial statements for 2019, which were prepared by the Managing Board in compliance with statutory provisions, and the management report and the consolidated financial statements for 2019 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 2019 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, and have therefore been approved in accordance with Section 96 (4) AktG. Moreover, the audit committee of the Supervisory Board and the Supervisory Board audited the consolidated financial statements for 2019 including the group management report, the consolidated corporate governance report 2019 and the sustainability report 2019 (consolidated non-financial report), found them to be in order and took due note of them.

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

The proposal is in line with the Company's dividend policy to provide for a payout ratio between 30% to 50% of Group profits after taxes and non-controlling interests. It is based on a diligent analysis of the economic and financial situation, impacted by the COVID-19 pandemic, as well as its effects on the Company's solvency and financial position. The dividend relates to the financial year 2019. Despite the burden due to the situation on capital markets, goodwill impairments and the expected dampening effects of the pandemic the Company recorded solid results in the first half of 2020. Against this backdrop, the Company would like its institutional and retail shareholders to adequately participate in the satisfactory results recorded in the financial year 2019, even in times of COVID-19.

The audit committee of the Supervisory Board has studied the proposal for the appropriation of the profit presented by the Managing Board, has found it to be in order and has reported to the Supervisory Board on said audit result. Consequently, the Supervisory Board in its entirety has discussed the present proposal for the appropriation of profits and voted on a resolution to approve said proposal.

DOCUMENT: AUDITOR AND GROUP AUDITOR

EXPLANATORY INFORMATION ON ITEM 5 OF THE AGENDA

Election of the auditor and group auditor for the financial year 2021

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

The audit committee of the Supervisory Board and the Supervisory Board in its entirety have discussed the election of the auditor and the group auditor and have thoroughly examined the documents presented by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. The audit committee of the Supervisory Board and, subsequent to the report presented by the audit committee, the Supervisory Board in its entirety passed resolutions for proposing

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

as auditor and group auditor for the financial year 2021.

In accordance with Section 260 (1) of the Insurance Supervision Act [*Versicherungsaufsichtsgesetz/VAG*] the appointment of the auditor and the group auditor takes place before the start of the year under audit, i.e. the 2021 financial year.

DOCUMENT: SUPERVISORY BOARD

EXPLANATORY INFORMATION ON ITEM 6 OF THE AGENDA

Election to the Supervisory Board

Currently, the Supervisory Board of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe fulfils the minimum requirement pursuant to Section 86 (7) of the Stock Corporation Act [*Aktiengesetz/AktG*] and consists of ten members, of which there are four women and six men. Maria Kubitschek has resigned her seat on the Supervisory Board as of the end of the Annual General Meeting. The Supervisory Board shall continue to consist of ten members elected by the Annual General Meeting. Therefore, an additional member must be elected to the Supervisory Board in order to restore the previous number of ten Supervisory Board members.

Article 10 (2) of the Articles of Association of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe stipulates that the Supervisory Board shall consist of three to ten members elected by the Annual General Meeting.

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

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

Katarina SLEZAKOVA

Further information on the candidate is available in the documents made available for inspection at the Company and published on the Company website within the period provided for as stipulated under Section 108 *AktG*.

The proposed candidate has already declared that she is prepared to accept the position if elected to the Supervisory Board.

The available documents include the curriculum vitae of the candidate attesting to her professional qualifications, as well as to her professional or other comparable positions. The candidate has also signed a statement pursuant to Section 87 (2) *AktG* stating that there are no circumstances that could give rise to concerns about impartiality or any final judgements for offences punishable by a court of law that could raise questions about her professional integrity.

The candidate's personal qualifications and experience with respect to VIG's focus on Austria and Central Europe were taken into account when considering the candidate nomination proposal. The diversity of the Supervisory Board, i.e. the representation of both genders, age structure and international know-how of its members, was appropriately taken into account, in addition to the principle of ensuring an appropriate balance of professional expertise among Supervisory Board members.

Moreover, the candidate nomination proposal is in compliance with the provisions of the Austrian Stock Corporation Act and rules of the Austrian Corporate Governance Code, as well as the provisions of the Austrian Insurance Supervision Act (*Versicherungsaufsichtsgesetz/VAG*) relating to supervisory boards of insurance companies.

DOCUMENT: REMUNERATION OF THE SUPERVISORY BOARD MEMBERS

EXPLANATORY INFORMATION ON ITEM 7 OF THE AGENDA

Resolution on the reassessment of the remuneration for Supervisory Board members

Remuneration for the members of the Supervisory Board was last adjusted at the 27th Annual General Meeting on 25 May 2018.

A review of the remuneration policy for Supervisory Board members at various companies has revealed higher remuneration scales in use at other comparable companies. An increase in responsibilities and international expertise of the Supervisory Board, as well as the additional expertise required by statutory provisions and audit duties associated with the exercise of a Supervisory Board mandate – in particular at a publicly traded insurance company – constitute appropriate justifications for an adjustment in remuneration.

Remuneration for the Supervisory Board members of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe shall therefore be adjusted and increased by about 20%.

Therefore, the Management Board and the Supervisory Board propose that remuneration for the Supervisory Board be determined as follows:

Supervisory Board remuneration:

Chairman of the Supervisory Board	from EUR 5,700.00 to EUR 6,800.00 per month
Deputy Chairman of the Supervisory Board	from EUR 3,500.00 to EUR 4,200.00 per month
Members of the Supervisory Board	from EUR 2,800.00 to EUR 3,400.00 per month

Supervisory Board remuneration shall be paid monthly in advance via transfer. Members of the Supervisory Board who resign from their function during a given month shall still receive full remuneration for the month in question.

The newly determined remuneration scale shall apply from the month following this resolution and shall be adjusted according to inflation.

Inflation adjustment shall be carried out in accordance with the Consumer Price Index 2015 (base year 2015) as published by Statistics Austria or in accordance with a superseding index, whereby increases up to and including 5% shall not be taken into account. Commercial full-decimal approximations shall apply when adjustments are made. The new amount and the index valid at the time of the adjustment shall form the basis for calculating the subsequent inflation adjustment.

Meeting attendance fee:

for the Supervisory Board and
for the Supervisory Board committees from EUR 1,500.00 to EUR 1,800.00 per meeting

The fee is paid via transfer retroactively for participation in meetings of the Supervisory Board and its committees.

The reassessed attendance fee shall apply from the month following this resolution.

DOCUMENT: REMUNERATION POLICY

EXPLANATORY INFORMATION ON ITEM 8 OF THE AGENDA

Resolution on the remuneration policy

The remuneration policy was available for inspection during the period stipulated by Section 108 of the Austrian Stock Corporation Act [*Aktiengesetz*] at the Company and on the registered Company's website and can still be viewed and downloaded from the Company's website.

The Supervisory Board established the remuneration policy for the first time on the basis of the 2019 Stock Corporation Amendment Act [*Aktienrechtsänderungsgesetz 2019*].

The remuneration policy stipulates the principles for remunerating the members of the Management Board as well as the principles for remunerating the members of the Supervisory Board. The remuneration policy is aimed at promoting the business strategy and the long-term development of the Company.

The remuneration policy is to be submitted to the Annual General Meeting for approval at least every fourth financial year, as well as in the case of any significant changes. The vote acts as a recommendation.

In future, the Company may only remunerate the members of the Management Board and the Supervisory Board in accordance with the remuneration policy that has been submitted to the Annual General Meeting for a vote. If the Annual General Meeting rejects the proposed remuneration policy, the company must submit a revised remuneration policy to the following Annual General Meeting.

The Supervisory Board approved the remuneration policy in April 2020.