Report of the Managing Board on item 6 on the agenda of the Annual General Meeting of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe to be held on 26 May 2023

Report of the Managing Board pursuant to Section 153 (4) in conjunction with Sections 170 (2) and 65 (1b) of the Austrian Stock Corporation Act [*Aktiengesetz/AktG*]

At the 32nd Annual General Meeting of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe it is planned that the Managing Board be authorised to acquire no-par-value treasury ordinary bearer shares pursuant to Section 65 (1) no. 8 and (1a) and (1b) *AktG* to the maximum extent permitted by law during a period of thirty (30) months from the date the resolution is passed by the Annual General Meeting. The equivalent to be paid upon redemption must not be lower than a maximum of 50% below and not higher than a maximum of 10% above the unweighted average closing price of the ten trading days preceding redemption. At the Managing Board's option the shares may be acquired via the stock exchange or a public offering or in any other expedient manner that is permitted by law.

It is planned that the Managing Board be authorised, for a maximum period of five (5) years from the date of the resolution, to use the acquired treasury shares without or with partial or full exclusion of shareholders' subscription rights for the purpose of servicing convertible bonds issued on the basis of the resolution of the Annual General Meeting on 21 May 2021, and to sell them in a manner permitted by law other than via the stock exchange or by means of a public offer. This authorisation will replace the resolution passed at the 30th Annual General Meeting of 21 May 2021 under item 10 on the agenda.

Since the authorisation granted to the Managing Board also includes the option of excluding shareholders' subscription rights, the Managing Board submits the present report in accordance with Section 65 (1b) in conjunction with Sections 170 (2) and 153 (4) *AktG*.

The proposed authorisation for exclusion of the subscription rights in the sale of treasury shares which were acquired previously pursuant to Section 65 (1) *AktG* in a way other than via the stock exchange or a public offering is in the interest of the Company and its shareholders.

1. Treasury shares can be used to satisfy obligations in connection with conversion and/or subscriptions rights under the convertible bonds which have been issued pursuant to the resolution of the Annual General Meeting on 21 May 2021. If any obligations in connection with subscription or conversion rights are satisfied by using already existing treasury shares in connection with such subscription or conversion rights under convertible bonds, no further

capital measures are required (e.g. increase of the share capital from conditional capital). Thus, it is not required to create new shares in order to satisfy any obligations in connection with subscription or conversion rights (e.g. by utilising conditional capital) and which prevents the dilution which is typical effect of an increase of the share capital.

2. In the past the Company has consistently realised its strategic objective of expanding its business in countries of Central and Eastern Europe. The proposed authorisation to exclude the subscription rights in the sale of treasury shares must also be seen in this context. The authorisation to exclude the subscription rights is intended to grant the Managing Board the necessary flexibility to implement its acquisition strategy by using treasury shares also as (part of the) purchase price for acquisitions if needed. This is often requested by the seller, protects the Company's liquidity and strengthens solidarity in the case of joint ownership of the subject matter of acquisition. The detailed structure of such transactions will be defined on a case-by-case basis in accordance with the Articles of Association and the internal rules of procedure for the Supervisory Board and the Managing Board in agreement with the Supervisory Board.

3. In the course of the placement of new shares of a company it is often advantageous and market practice to be able to grant an over-allotment option to the banks issuing the securities (so called greenshoe). These over-allotment options (greenshoe) are used in the event of an oversubscription of the newly issued shares, i.e. if the demand for the newly issued shares is higher than the offer. By way of granting over-allotment options, it is possible to issue additional securities under the same terms and conditions. Such an over-allotment option has the purpose to stabilise the development of the share price after the placement of the shares. Thus, this option is not only in the interest of the Company but also the shareholders. In order to fulfil this purpose, it must be possible to exclude the subscription rights of shareholders of those shares which are used to secure the over-allotment option (greenshoe). It should not only be possible to use new shares from approved capital for this purpose but also treasury shares acquired by the Company.

4. The authorisation granted to the Managing Board to exclude subscription rights in the sale of treasury shares shall enable a feasible subscription ratio by compensating for fractional amounts. Without this exclusion of the subscription right, the technical implementation of the sale would be impeded, in particular in the event of a sale of a rounded total amount of the treasury shares. Any fractions of shares excluded from the shareholders' subscription rights will be realised either by sale on the stock exchange or in any other manner promoting the Company's interests to the greatest extent possible. This approach is in line with market practice and objectively justified because the costs for the trading of subscription rights in the event of fractional amounts are not disproportionate compared to the benefits of the shareholders and the effects of the restrictions are insignificant.

In summary and considering all circumstances set forth above it can be said that the authorisation to exclude subscription rights within the limits described above is necessary, appropriate, reasonable and objectively justified and vital. Acquisition of interests or other assets or special transaction structures (including over-allotment options and the settlement of fractions) in the interest of the Company and its shareholder might require the sale of treasury shares with the exclusion of subscription rights.

Pursuant to Section 65 (1) *AktG* the authorisation for the acquisition of treasury shares can be limited to a maximum of thirty (30) months. Pursuant to Section 65 (1b) *AktG* in conjunction with Sections 169-171 *AktG* the authorisation for the sale of shares can be limited to a maximum of five (5) years. This applicable term will be fully utilised by the proposed resolution.

The proposed authorisation granted to the Managing Board for exclusion of the subscription rights is objectively justified by the envisaged goal, i.e., to optimise the capital structure and reduce financing and acquisition costs, and in this way to warrant further strengthening and improvement of the Company's competitive position in the interest of the Company and its shareholders. Without an exclusion of the subscription rights the Company will not be able to quickly and flexibly respond to favourable market conditions or acquisition opportunities.

The Company's Managing Board expects that all shareholders will benefit from the Company's advantage resulting from the issuing of treasury shares acquired in accordance with Section 65 (1) *AktG* in a manner other than via the stock exchange or through public offerings subject to the exclusion of subscription rights and that the Company's interest therefore outweighs the disadvantage for the shareholders resulting from the exclusion of the subscription rights.

In summary and considering all circumstances set forth above it can be stated that the authorisation to exclude subscription rights within the limits described above is necessary, appropriate, reasonable as well as objectively justified and vital in the interest of the Company.

Vienna, March 2023 The Managing Board