

Declaration pursuant to sections 185-186 of the Stock Exchange Act

of

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

("VIG Holding")

FN 75687 f, Commercial Court Vienna

Declaration pursuant to section 185 BörseG

Pursuant to Section 185 of the Austrian Stock Exchange Act (*Börsegesetz*, „**BörseG**“), institutional investors as defined in Section 178 no. 2 BörseG are obliged to publish a statement on their participation policy. For some companies, however, it does not make sense to draw up such participation policy. Thus, instead of publishing a participation policy, companies may alternatively publish an explanation as to why publishing a participation policy is not feasible in its individual case.

Participation policy means a general, abstract description of how VIG Holding incorporates aspects of shareholder participation into its investment strategy. It is therefore a description of how the principle of shareholder participation is implemented in relation to other listed companies in which VIG Holding has invested. The participation policy must address the following aspects:

- How VIG Holding monitors listed issuers in whose shares it invests with regard to key aspects (e.g. strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance);
- How VIG Holding communicates with listed companies in which it has invested;
- How VIG Holding exercises voting rights and other rights associated with listed shares;
- How VIG Holding cooperates with other shareholders of listed companies;
- How VIG Holding communicates with relevant stakeholders of the listed companies in which it has invested;

- How VIG Holding deals with actual and potential conflicts of interest in connection with its investment in listed shares.

VIG Holding primarily acts in the manner of a holding company. It invests in and holds listed shares only to a very limited extent. Where it does invest in listed shares, these investments are primarily structured as investments in equity funds. With regard to these shares held in equity funds, VIG Holding cannot exercise voting rights because this is the responsibility of the fund management company. In those (rare) cases in which VIG Holding directly holds listed shares, it does not exercise the voting rights from these shares.

For these reasons, VIG Holding has decided not to publish a participation policy in accordance with section 185 BörseG.

VIG Holding points out that certain of its subsidiaries are also "institutional investors" within the meaning of section 178 no. 2 BörseG and therefore obligated to either publish a participation policy themselves or publish a reasoned declaration on why they have chosen not to do so. This concerns:

- WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group, whose participation policy can be found at the following link: https://www.wienerstaedtische.at/fileadmin/user_upload/Dokumente/Unternehmen/Invest_or_Relations/Anlagestrategie/Aktionaersrechte_WSTV.pdf
- DONAU Versicherung AG Vienna Insurance Group, which has declared that it has decided not to publish a participation policy: https://www.donauversicherung.at/fileadmin/04_donau/02_unternehmensberichte/mitwirk_ungspolitik/Mitwirkungspolitik_und_Anlagestrategie_DONAU.pdf

Declaration on the investment strategy pursuant to section 186 BörseG

Pursuant to section 186 para 1 BörseG, VIG Holding is obligated to publicly disclose how the main elements of its investment strategy correspond to the profile and maturity of its liabilities, in particular long-term liabilities, and how they contribute to the medium to long-term performance of its assets. On this matter, VIG Holding hereby issues the following statement, which relates to its overall portfolio strategy:

Main elements of the investment strategy

VIG Holding's investment strategy focuses on the following asset classes:

- Investments (strategic investments, service companies, financial and other investments)

- Bonds
- Loans (mainly to group companies)
- Cash (cash holdings, account balances, fixed term deposits, money market funds)
- Real estate (direct or indirect)

The following asset classes have a subordinated role:

- Equities (mainly equity funds)
- Other investment funds incl. alternative investment funds
- Derivatives (only for hedging specific risks)

Principles of the investment strategy

Risk monitoring and limitation: VIG Holding only invests in assets whose risks it can identify, measure, monitor and control. The risk must be taken into account and limited appropriately in relation to the overall solvency requirements.

Risk diversification: VIG strives for the broadest possible diversification of assets in order to avoid excessive dependence on a specific asset, a specific issuer or a specific geographical region.

Objective of the investment strategy

VIG Holding's investments are intended to enable it to meet its ongoing payment obligations (including those arising from reinsurance) and to cover these obligations from an underwriting perspective. They should also enable VIG Holding to perform its functions as the group holding company and distribute an attractive dividend to its shareholders. Finally, they should provide VIG Holding with liquidity for any strategic acquisitions.

To what extent does the investment strategy correspond to the profile and maturity of VIG Holding's (particularly long-term) liabilities?

By consistently recording, evaluating and monitoring the risks arising from investments, VIG Holding is able to react to any liquidity requirements in a timely manner. Broad diversification across many asset classes, issuers and geographical regions largely reduces financial cluster risk. This allows VIG Holding to adjust its investments to the profile and maturities of its liabilities.

How does VIG Holding's investment strategy contribute to the medium to long-term performance of its assets?

The objectives of the investment strategy ensure that the operating activities in reinsurance and the functions of VIG Holding as the group holding company are fully funded. This allows VIG Holding to react to changing market conditions and profitably take advantage of opportunities that arise, either itself or through its group companies. In this way, the investment strategy effectively contributes to the medium and long-term development of VIG Holding's assets.

Information on agreements with asset managers (section 186 para 2 BörseG)

As mentioned above, VIG Holding invests in investment funds (including alternative investment funds). Certain management companies manage these funds. These fund managers are asset managers within the meaning of section 186 para 2 in conjunction with section 178 para 3 BörseG.

Pursuant to section 186 para 2 BörseG, VIG Holding is obligated to issue a declaration concerning certain aspects of its contractual agreements with such asset managers.

Where VIG Holding invests in special funds, it enters into contractual arrangements with the asset managers to ensure that it can influence the investment activities of the fund. This allows it to ensure that the investment activities of such funds take into account the profile and term of the (particularly long-term) liabilities. These agreements are linked to the duration of the investment, therefore generally have an unlimited term and can thus be terminated by VIG Holding. If such individual agreements are not possible due to the large number of investors, particularly in the case of mutual funds, VIG Holding ensures prior to investing that the investment strategy of the fund matches its investment strategy and specifically the profile and term of its liabilities. VIG Holding may in general sell interest in mutual funds at any time; in this respect, the contractual relationship between VIG Holding and the asset manager (fund manager) also has an unlimited term and VIG Holding can terminate these contractual relationships at any time.

Since most fund managers receive a profit share in addition to a fixed fee, they have an incentive to invest only in companies or securities that can be expected to perform appropriately based on a prior analysis and valuation. The interests of VIG Holding and the fund managers therefore align. For these reasons, VIG Holding does not enter into any additional contractual agreements that provide incentives for asset managers to make investment decisions based on an evaluation of the medium to long-term performance of the financial and non-financial performance of the company in which the investment is to be made, and to become involved in the company in which the investment is made in order to improve its performance over the medium to long term. VIG Holding currently only invests to a very limited extent in funds where the fund manager is actively involved in the companies the fund invests in.

Under the Austrian Investment Fund Act (*Investmentfondsgesetz*), investment companies (asset managers) must submit an annual report, which must be audited by an auditor and needs to receive an audit certificate. In this way, the actual costs (including portfolio turnover costs) can be matched with the agreed costs. VIG Holding does not enter into agreements with asset managers that specify a target portfolio turnover or a target portfolio turnover range, because an increased portfolio turnover rate would lead to higher costs and therefore lower income. Apart from this, VIG Holding continuously monitors the performance of the investment funds it invests in and the remuneration of the asset managers. The performance of a fund can also be evaluated using market indices or peer group comparisons.

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