Group Report 2021 | UNIQA Group

living better together

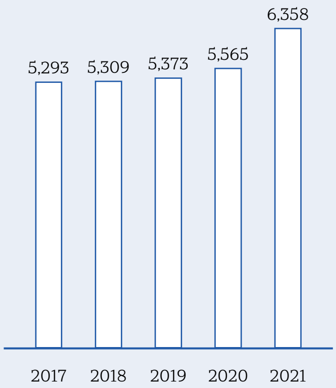
UNIQA Group at a glance

Consolidated key figures In € million	2021	2020	Change
Premiums written	6,033.4	5,261.2	+ 14.7%
Savings portions from unit-linked and index-linked life insurance (before reinsurance)	324.6	304.1	+ 6.7%
Premiums written including savings portions from unit-linked and index-linked life insurance	6,358.0	5,565.3	+ 14.2%
of which property and casualty insurance	3,489.5	3,010.3	+ 15.9%
of which health insurance	1,226.5	1,167.6	+ 5.0%
of which life insurance	1,642.0	1,387.5	+ 18.3%
of which recurring premiums	1,491.9	1,294.3	+ 15.3%
of which single premiums	150.2	93.2	+ 61.1%
Premiums written including savings portions from unit-linked and index-linked life insurance	6,358.0	5,565.3	+ 14.2%
of which UNIQA Austria	3,916.6	3,837.5	+ 2.1%
of which UNIQA International	2,423.3	1,705.4	+ 42.1%
of which reinsurance	1,469.5	1,162.7	+ 26.4%
of which consolidation	– 1451.4	– 1140.3	+ 27.3%
Premiums earned (net)	5,697.6	5,029.5	+ 13.3%
of which property and casualty insurance	3,203.9	2,809.0	+ 14.1%
of which health insurance	1,213.3	1,163.6	+ 4.3%
of which life insurance	1,280.4	1,057.0	+ 21.1%
Savings portions from unit-linked and index-linked life insurance (after reinsurance)	324.6	304.1	+ 6.7%
Premiums earned including savings portions from unit-linked and index-linked life insurance	6,022.2	5,333.7	+ 12.9%
Insurance benefits[1]	– 4,104.2	– 3,694.6	+ 11.1%
of which property and casualty insurance	– 1,965.1	– 1,775.1	+ 10.7%
of which health insurance	– 997.7	– 963.1	+ 3.6%
of which life insurance[2]	– 1,141.4	– 956.4	+ 19.3%
Operating expenses (net)[3]	– 1,648.5	– 1,566.4	+ 5.2%
of which property and casualty insurance	– 1,037.8	– 970.7	+ 6.9%
of which health insurance	– 206.6	– 225.0	– 8.2%
of which life insurance	– 404.1	– 370.7	– 9.0%
Cost ratio (net after reinsurance)	27.4%	29.4%	–
Combined ratio (after reinsurance)	93.7%	97.8%	–
Net investment income	648.0	505.4	+ 28.2%
Earnings before taxes	382.3	57.1	+ 570.0%
Profit/loss for the period	317.9	24.3	+ 1,209.3%
Consolidated profit/loss	314.7	19.4	+ 1,521.7%
Return on equity	9.3%	0.6%	–
Investments	21,785.0	22,319.2	– 2.4%
Equity	3,303.6	3,450.1	– 4.2%
Equity, including non-controlling interests	3,323.3	3,474.8	– 4.4%
Technical provisions (net)[4]	23,610.9	23,796.8	– 0.8%
Total assets	31,547.8	31,908.0	– 1.1%
Number of insurance contracts	26,008,281	25,058,554	+ 3.8%
Average number of employees (FTE)	14,849	13,408	+ 10.7%

[1] Including expenditure for profit participation and premium refunds
[2] Including expenditure for (deferred) profit participation
[3] Less reinsurance commissions and share of profit from reinsurance ceded
[4] Including technical provisions from unit-linked and index-linked life insurance

Premiums written

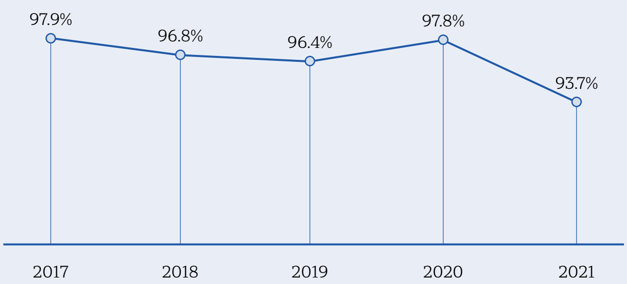
In € million



(Including savings from unit-linked and index-linked life insurance)

Combined ratio

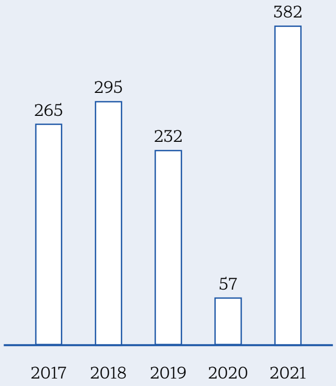
In per cent



(Including savings portions from unit-linked and index-linked life insurance)

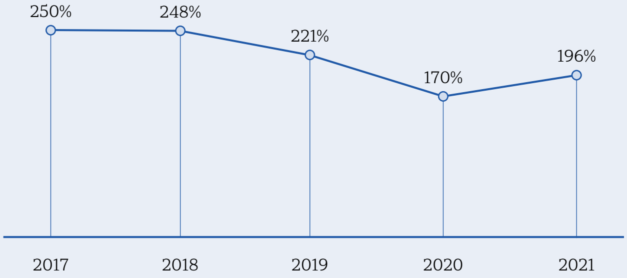
Earnings before taxes

In € million



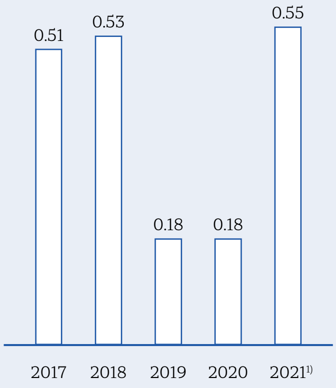
Regulatory solvency capital requirement ratio (SCR)

In per cent



Dividend per share

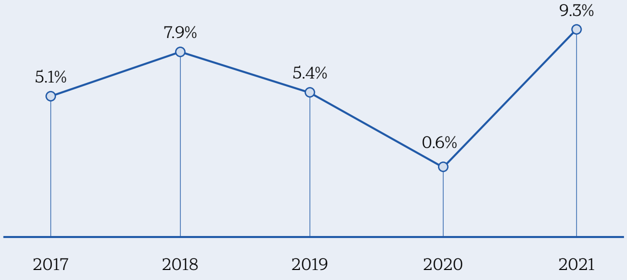
In €



[1] Proposal to the Annual General Meeting

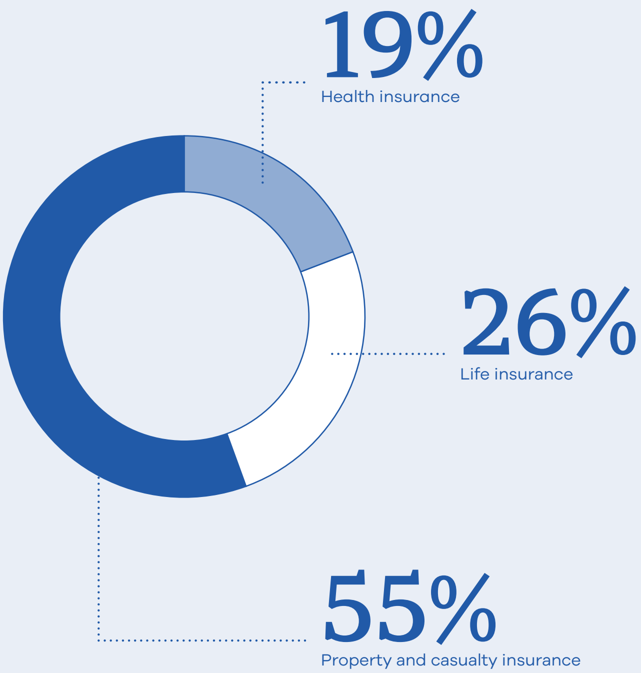
Return on equity

In per cent

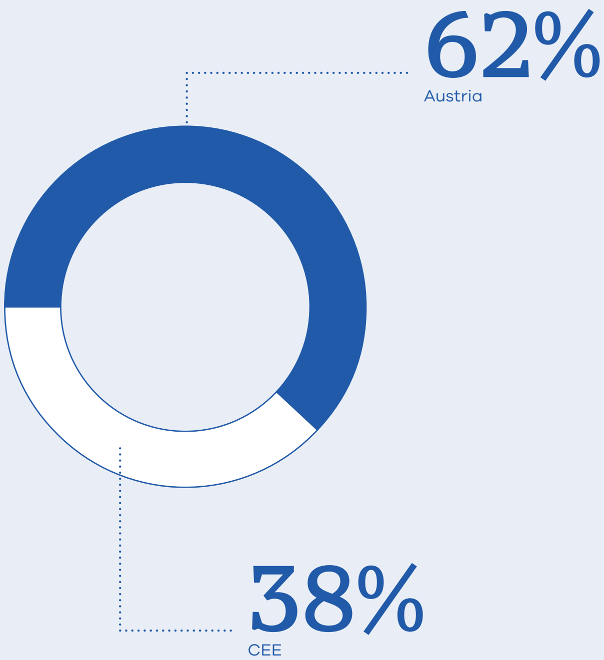


The UNIQA Group is one of the leading insurance companies in its core markets of Austria and Central and Eastern Europe (CEE). Around 22,400 employees and exclusive sales partners serve almost 16 million customers across 18 countries. UNIQA is the second largest insurance group in Austria with a market share of about 21 per cent. In the CEE growth region, UNIQA is present in 15 markets: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Kosovo, Montenegro, North Macedonia, Poland, Romania, Russia, Serbia, Slovakia and Ukraine. In addition, insurance companies in Switzerland and Liechtenstein are also part of the UNIQA Group.

Balanced portfolio …



… in the core markets of Austria and CEE



Premium distribution

living better together

An excellent **2021 financial year** allowed us to look to the future with undiminished optimism until the end of February. Our core business was performing strongly, and we have already achieved many things in the first year of implementing our new strategy "UNIQA 3.0 – Seeding the Future", from increasing efficiency in Austria to successful integration of the former AXA companies in Poland, the Czech Republic and Slovakia. We were proud of what we achieved together in 2021.

A lot changed shortly afterwards. **Russia's attack on Ukraine** has not only triggered a humanitarian catastrophe, but also caused economic turmoil that will leave its mark for a long time to come. Unconditional support for our Ukrainian employees and customers was our top priority in this situation. The amount of solidarity and willingness to help within the UNIQA community was and is astonishing – that is something we can all be very proud of.

This experience gives us strength to face the current challenges together – with confidence and determination. **UNIQA – living better together.**

Highlights 2021

Green bond for climate-friendly projects:

€375 million bonds newly issued

With more than €1 billion in sustainable investments and the objective of being climate-neutral by 2040, our Group is one of the pioneers in the Austrian insurance industry. After the first green bond for climate-friendly projects in 2020, UNIQA issued another green bond in December 2021, which was very well received by our investors. The final bond has a maturity of 20 years and is rated BBB, with a coupon of 2.375 per cent per year. Alongside this issue, we repurchased subordinated bonds in the amount of €375 million with coupons of 6.875 and 6.000 per cent. UNIQA is the only insurance company in Austria to be a partner of the "Net-Zero Asset Owner Alliance". We are thus committed to reporting in detail on progress in the area of sustainable investment.

Merger with AXA subsidiaries in CEE successfully completed

It was the largest acquisition of an Austrian insurance group in CEE and, at around €1 billion, the largest corporate acquisition in our company's history. The integration of the former AXA companies in Poland, the Czech Republic and Slovakia has been in full swing since then, and in September 2021 the legal merger took place. The first positive synergy effects were seen in the same year. The additional 5 million customers with around €800 million in premiums have put us in fifth place among the top insurance companies in CEE – with premium income of over €2.3 billion.

New UNIQA campaign:

"living better together"

Our new campaign "living better together" illustrates the vision behind our future strategy UNIQA 3.0 – Seeding the Future. UNIQA wants to accompany people on their way to leading a better life and show them that they are not alone in this. Risks are not imposed on an individual, but rather borne jointly – our new campaign thus builds on the basic idea of the insurance principle. However, by employing the UNIQA 3.0 future strategy, we are going a step further and offer not only protection against damage, but also innovative services. By doing this, UNIQA supports and accompanies people in exercising their own responsibility.

Double growth capital for bold future investments

We doubled the investment volume available to the UNIQA Group's venture capital company from €75 to €150 million in 2021. With over 30 participations, five exits, a unicorn and a solid annual return of more than 20 per cent, UNIQA Ventures is already one of the most active corporate venture capital funds in Europe. And thanks to the doubled investment volume, additional European start-ups can now be supported with growth capital. The focus remains on the FinTech, InsurTech and Digital Health sectors.

myUNIQA plus:

A new loyalty programme for UNIQA customers in Austria with annual bonus

Since August 2021, our customers have had access to myUNIQA plus – a completely new, innovative bonus and customer loyalty programme. One of the many advantages: with myUNIQA plus, claim-free customers receive up to €600 of their annual premium back each year. The connected myUNIQA app is primarily intended to make everyday life easier for its users: they can access all contracts, submit medical and medication bills and report household damage online at any time. In addition, there is also the option of registering for severe weather warnings completely free of charge. The range of myUNIQA plus is now constantly being expanded. The only requirement for participation: UNIQA products with a corresponding premium threshold as well as the use of the myUNIQA app and the myUNIQA portal.

SanusX continues to grow

SanusX continues to expand, making not one but two acquisitions in 2021. Founded in April 2020, our subsidiary SanusX is driving the UNIQA Group's development into a holistic healthcare provider. With the acquisition of consentiv, the Austrian market leader for employee mental healthcare, and a 39 per cent stake in cura domo Holding, which specialises in home nursing and care, SanusX opened up two more attractive business segments shortly after the successful market launch of the SanusX Health Shield for Covid-19 testing. The common objective: to expand the existing consulting activities and build up smart prevention solutions.

UNIQA Austria's post-COVID-check is met with enormous demand

Within a single month of its launch, almost 1,000 bookings for the UNIQA post-COVID-check were received. This huge influx confirms the high demand in the fight against Long Covid. After all, up to 20 per cent of those recovered continue to suffer from the after-effects of the Covid-19 disease. UNIQA was therefore the first private health insurance company to offer a post-Covid-19 check to around 570,000 insured persons with subsequent complaints and all affected UNIQA employees in Austria. This enabled us to provide people displaying Long-Covid symptoms with comprehensive health checks – including heart ultrasound, (resting) ECG, blood tests, antibody and lung function tests – at 30 locations throughout Austria.

Dear ladies and gentlemen,
dear shareholders,

Unambiguous words provide the guidance we need in uncertain times. Not necessarily security, but at least guidance. This short letter to you therefore contains two simple messages:

- Everything in UNIQA's own hands is currently going according to plan. The **excellent 2021 financial year**, the first of our new "UNIQA 3.0 – Seeding The Future" strategic programme, provides proof of this. Our core business also performed excellently in the first weeks of 2022.

- Everything that is out of our hands – the far-reaching consequences of the Russian Federation's devastating war of aggression against Ukraine – we are trying to manage as best we can. The course of the **2022 financial year**, which we were looking forward to with joy and confidence just a few months ago, is now naturally associated with **considerable uncertainties**. This statement pains us in our responsibility towards you, but it reflects the honesty required.

Significant improvement of the core business 2021

We grew 14.2 per cent above our expectations, supported by the initial full integration of the former AXA companies in Poland, the Czech Republic and Slovakia. With a **premium volume of €6,358 million**, we recorded a **cost ratio of 27.4 per cent, which was an improvement** of two percentage points, and a significantly **reduced combined ratio of 93.7 per cent**. This is despite the fact that our payments to customers for losses they incurred in connection with storms amounted to a record gross sum of €267 million and that the burden from major losses was also significantly above the long-term average. On the other hand, relief came from so-called "basic losses", which reflects the excellent technical profitability of our private client business, and from the contributions of our international reinsurance partners.

Encouraging capital earnings and solvency ratio

Net investment income of €648 million is €143 million or 28 per cent above the previous year's level. The three most important reasons for this are gains from equity funds and fixed-interest securities of just under €90 million, unrealized gains of €27 million at UNIQA Ventures and higher income from our participation in the STRABAG SE construction group of €12 million. The average return on our new investments (totalling around €1.8 billion) rose from 2.07 per cent to 2.3 per cent. Our solvency capital requirement (SCR) ratio according to Solvency II increased noticeably from 170 per cent to 196 per cent.

We are working actively and with commitment on the **European Union's Green Deal**. After joining the global Net-Zero Asset Owner Alliance, we also applied to join the Green Finance Alliance in Austria initiated by the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology. Rapid growth in the personal interest of many colleagues in this topic can be seen within our company, although we cannot yet estimate the total resources required to implement all the goals in sufficient detail.

> "The Russian war of aggression in Ukraine is the absolute opposite of what we stand for: **living better together**."

“We look back on an exceptionally successful 2021 with a strong performance in the core business, good results in investments and very satisfactory development of our profitability.”

Annual result 2021 above profit forecast, dividend at pre-pandemic levels

Earnings before taxes amount to €382 million and are therefore once again clearly above the profit forecast of €330–€350 million, which was already raised in the summer. With a tax rate of 17 per cent, the **net profit for the year** of €315 million allows us to propose a dividend of **€0.55 per share** to the Annual General Meeting in May, in line with the pre-pandemic levels of the 2018 financial year (€0.53 per share). The payout ratio is 53.5 per cent, which is within our strategic range of 50–60 per cent.

The 2021 financial year was one of the best in our company’s history, perhaps even our best ever. And it was a source of happiness and pride for us.

The war in the East

Seven weeks later, everything was different. The Russian Federation’s attack on neighbouring Ukraine on 24 February 2022 caused a humanitarian catastrophe that stunned us all and in the face of which economic consequences pale – even if the latter will continue to leave their mark globally for many years to come.

UNIQA Ukraine is the second largest insurance company in the young country. With enthusiasm, pride and discipline, our 850 colleagues serve around 1.2 million customers between Lviv in the west and Kharkiv in the east and generate around €100 million in premiums. We were still working for our clients as far as technically possible weeks after the war began, registering claims, paying benefits and providing round-the-clock assistance through our Medical Call Centre.

Vienna, April 2022

Best regards,

Andreas Brandstetter
on behalf of the Management Board

Our heart beats **blue and yellow**

The military attack by the Russian Federation on the Republic of Ukraine represents a humanitarian tragedy for the people of Ukraine and a threat to democracy and peace in Europe. As a European insurance group, we are very concerned about the current situation and we stand in solidarity with the Ukrainian people. As we have known and appreciated our colleagues in Ukraine for many years, it is natural for us to support them as best we can during this difficult time. We are all one community across national borders and demonstrate impressive solidarity, especially in these difficult times. First and foremost, our focus is on humanitarian aid.

UNIQA serves 1.3 million customers in Ukraine. We are the number two in the market and have a team of around 850 employees. UNIQA Ukraine continues to operate despite severe war damage to several of our offices across the country. Since the beginning of the war, our employees have been working under the most difficult conditions from their home offices, we pay claims and benefits quickly and also provide psychological support to our customers throughout the country, e.g. via a medical call centre.

A Group-wide crisis team was created under the leadership of two UNIQA Group Management Board members in order to coordinate our activities efficiently and prepare UNIQA for all possible scenarios. The crisis team is responsible for analysing the development of the situation and for preparing and coordinating our relief measures. To this end, we are in continuous contact with our colleagues locally and with all relevant official bodies.

No more investments in Russia

The UNIQA Group has decided to stop all investments in the Russian insurance market with immediate effect as a direct consequence of the war. With this decision, we are responding to Russia's military attack on Ukraine and the associated violations of the UN Charter.

"We left with only two suitcases, not understanding what was going on. It took a while for it to sink in: it's war."

Igor Chopey, Head of Partner Programmes, Retail

"Our lives have been divided into a 'before' and an 'after'. We used to think that other things were important, now a call from friends means the world to us."

Iryna Kriuchkova, Head of Regional Sales, Retail

"We stand for a life in freedom, a life free from terror and darkness. We are grateful for the commitment of all those who support us."

Vira Purdik, Product Marketing

"We have been able to emerge stronger from every crisis so far and we will not stop fighting for our independence and democracy this time either."

Yurii Trebenkov, Head of Odessa Regional Office

"War is the terror of a flying missile followed by the pain of enduring loss."

Viktoriya Ivanova, Head of Chernihiv Regional Office

Extensive aid activities

Immediately after the start of the war, we launched a number of initiatives to provide humanitarian support to the Ukrainian population severely affected as well as to our colleagues:

- **UNIQA Helping Hands:** we have launched a donation campaign together with Caritas Austria and the Austrian Red Cross. The amounts collected here are used directly in the crisis area for aid on the ground through our partners. In addition to the donations collected from the UNIQA community, UNIQA will also be donating a total of €1 million to these partner organisations. At the time this report went to press, the total volume of donations already amounted to €1.4 million.
- **Help for employees in Ukraine:** we have established a comprehensive network to support our employees locally. Everyone in the company, including the local Management Board, is connected through various channels so that mutual support can be organised quickly. All staff in Ukraine received their salaries for February and March in advance. Some of our local staff also support local civil organisations and can, of course, continue to do this during their working hours.
- **Help for employees fleeing their homes:** more than 300 Ukrainian UNIQA employees and their family members have fled their home country so far. They are met at all border crossings by volunteers from the local UNIQA companies, taken to temporary accommodation and provided with comprehensive care. UNIQA Poland and our Slovak, Hungarian and Romanian colleagues are setting an impressive example of Group-wide solidarity by helping directly on the borders with Ukraine. In Poland, we have prepared accommodation, financial support and psychological and legal assistance for our Ukrainian colleagues and their families. Our helpline for those in need is available around the clock, and in addition over 100 staff and volunteers are offering their homes or other forms of support, such as transporting refugees to their destination. We can currently offer accommodation for up to 145 people.
- **A sea of lights at the UNIQA Tower:** in addition to the help we are providing locally and our fundraising as part of UNIQA Helping Hands, we are also setting another shining example: from now on, a sea of lights illuminates our UNIQA Tower in the heart of Vienna every evening. The sea of lights is a symbol of hope and is intended to express our deep sympathy to Ukrainians.

Facts & Figures 2021

In € million	Ukraine	Russia
Premium volume	109.6	73.7
Earnings before taxes	10.5	15.7
Total assets	143.4	332.0
IFRS equity	41.2	29.1
Active in the market since	2006	2009
Customers (number)	1.3 million	0.5 million
Employees (FTEs)	847	110

1

What we stand for: **living better together**

Since 1811, people have been trusting us and insuring themselves with us. Our mission has not changed since then: risks that cannot be borne by the individual alone are shared across the shoulders of our community. We rely on this combined strength of our community to make a difference in our customers' lives and to provide them with services that go beyond pure protection.

Looking after more than almost 16 million people in 18 countries, we see it as our mission to improve the lives of our customers and their families as reliable companions and as inspiring coaches with innovative offers and services that are relevant every day, while at the same time using our combined strength in exactly the same way to support the sustainable and responsible development of our company and environment.

Well positioned in Austria and CEE

Providing first-class service to almost 16 million customers in Austria and Central Europe is the basis for the success and future potential of the UNIQA Group. While we are traditionally firmly anchored in our home market of Austria, we are pursuing a course of consistent growth in CEE. The integration of the former AXA companies in Poland, Slovakia and the Czech Republic considerably strengthened our market position in this promising region last year in particular.

Austria: strong brand, strong position

We have been operating our insurance business in our home market of Austria for more than 200 years. With a market share of around 21 per cent, we are now the second-largest Austrian insurance company, and rank first in the health insurance segment. We support 3.7 million customers in Austria, either directly or through our banking and sales partner, Raiffeisen.

The key factors in our healthy market position are innovative products, a powerful sales force and the firmly established UNIQA and Raiffeisen brands. Many years of solid economic development and a prudent regulator also show good prospects for the future. This is because there is still potential in the Austrian insurance market: Austrians currently spend €2,020 on average on insurance each year. This is still relatively low compared with other western European countries, especially given the high standard of living in Austria.

CEE: significant catch-up potential in insurance density

Insurance expenditure in Central and Eastern Europe is currently still well below this level. With an average annual premium of €231 per capita, CEE contributes a total of around 40 per cent to UNIQA Group premiums following the integration of the AXA companies in Poland, Slovakia and the Czech Republic. Yet the region is catching up: the average premium per capita is already around €410 in the more developed Central European insurance markets of Poland, Slovakia, the Czech Republic and Hungary, which we have defined as our second core market, and this trend is on the rise.

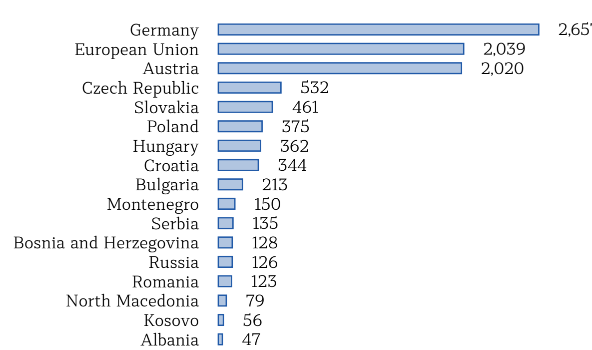
For UNIQA this opens up attractive potential: with around 12.1 million people, three quarters of our customers already live in CEE. This region, which is home to around 155 million people, has been experiencing a remarkable economic upswing for years. Although Covid-19 also caused a noticeable economic slump here last year as well, the performance of the insurance markets in the region overall was largely stable and able to pick up considerable momentum again in the course of 2021. In the long term, we expect – despite all the challenges in this region – a continuous increase in insurance density in the coming decades.

This is because with growing prosperity, insurance for apartments and homes as well as personal protection products, such as accident and health insurance, are gaining more ground in addition to motor vehicle liability insurance, which traditionally represents the largest volume in CEE.

In order to exploit this growth potential, we are also relying on a strong sales force and on our well-established partnership with Raiffeisen in CEE, with the Addiko Group in the Balkans, and mBank in Poland.

CEE: a region with major growth potential

Insurance spending per person and year in €



15.8 million

customers

The pin shows the market position in the relevant country.

[1] The market position in Russia relates solely to life insurance.

3.7 million
customers in Austria

7.4 million
customers in Central Europe

4.7 million
customers in Eastern Europe, Southeastern Europe and Russia

- Central Europe (CE)
- Eastern Europe (EE)
- Southeastern Europe (SEE)
- Russia

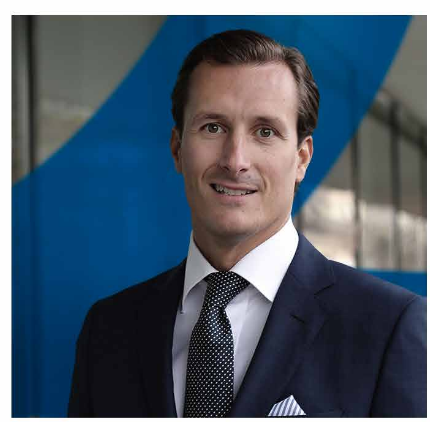
Group Executive Board











Erik Leyers (52)

has been a member of the Management Board since 2015 and is responsible for Data & IT. The doctor of economics began his professional career as a research assistant in Munich before joining McKinsey in 2001 as a consultant and project manager. He held an executive position at the Allianz Group from 2003 onwards, where he was responsible for business development, shared services and global non-IT and IT procurement. Erik Leyers also completed postgraduate studies at Harvard Business School.

Wolfgang Kindl (55)

has been responsible for the function Customers & Markets International since January 2020. Wolfgang Kindl has worked for the UNIQA Group since 1996, managing our Swiss subsidiary in Geneva from 2000 to 2004 and acting as Managing Director of UNIQA International from 2005. He was appointed to the Group Management Board in 2011 and was head of UNIQA International as Chairman of the Management Board. Wolfgang Kindl has a degree in social and economic sciences as well as postgraduate studies in environmental management. He also completed postgraduate studies at the IMD in Lausanne and at Harvard Business School.

René Knapp (39)

has been a member of the Management Board responsible for the department of Human Resources, Brand and Sustainability since January 2020. The mathematics graduate and recognised actuary began his career at UNIQA in 2007 and took over responsibility for the life insurance actuarial department in 2010. He became head of Group Actuarial in 2012, which was expanded as of 2015 to include Risk Management followed by Security Management. In addition to his activities for UNIQA, René Knapp is not only committed to the actuarial profession as a member of the Management Board of the Austrian Actuarial Society (AVÖ) and the Risk Management Committee of the Actuarial Association of Europe (AAE), but has also held numerous guest professorships at the University of Salzburg. He also completed executive programmes at Harvard Business School and the Sloan School of Management (MIT).

Klaus Pekarek (65)

has been responsible for the function Customers & Markets Bancassurance Austria since January 2020. He has been working for the UNIQA Group since 2009 when he took over the chairmanship of the Raiffeisen Insurance Austria. The doctor of law also completed a degree in business administration and is a certified banker. He began his career as a contract assistant for finance and commercial law at the University of Graz and the University of Klagenfurt. Klaus Pekarek took over the management of the legal and audit department of Raiffeisenlandesbank Carinthia in 1984, and was Chairman of its Management Board from 1988. He also completed further studies at Harvard Business School.

Andreas Brandstetter (52)

has been a member of the Management Board since 2002 and its Chairman since 2011. Before joining UNIQA, he was head of the EU office of the Austrian Raiffeisen Association in Brussels. He holds a doctorate in political science having studied in Vienna and the USA (University of California, San Diego) and completed an Executive MBA at California State University, Hayward/IMADEC. Andreas Brandstetter completed his postgraduate studies at the Stanford Graduate School of Business and Harvard Business School. He was elected President of Insurance Europe in May 2018, the representative body of European insurance and reinsurance in Brussels.

Peter Eichler (60)

has worked as a member of the Management Board at various Group companies since 1999, and has been responsible for personal insurance and asset management for the entire Group since 2020. He is Chairman of the Health and Life Insurance segments at the Austrian Insurance Association (VVO). In addition to studying commercial sciences, Peter Eichler also studied law at the University of Vienna. He graduated from the University of St. Gallen and Harvard Business School executive programmes.

Kurt Svoboda (54)

has been responsible for finance and risk management on the Group Management Board since July 2011. He was also CEO of UNIQA Österreich Versicherungen AG from December 2017 until June 2020. He began his career at KPMG Austria GmbH in 1992, before joining the Group as Managing Director of UNIQA Finanz Service GmbH in 2003 after holding management positions at the Wiener Städtische Group (now VIG) and AXA Versicherung AG. Kurt Svoboda studied business administration, specialising in international taxation and insurance management, and completed an international management course (IMEA) at the University of St. Gallen, as well as postgraduate studies at the Stanford Graduate School of Business and Harvard Business School.

Peter Humer (50)

has been responsible for the function Customers & Markets Austria since January 2020. With a doctorate in social and economic sciences, he started his professional career at UNIQA in 1996 in sales, followed by various national and international positions in the Group. He assumed the role of Provincial Director in Salzburg in 2009 and also became a member of the Management Board at Salzburger Landes-Versicherung AG. Peter Humer became a member of the Management Board for Sales at UNIQA Österreich Versicherungen AG in 2017. He completed further studies at Harvard Business School in 2019.

Wolf Christoph Gerlach (42)

has been responsible for the Operations department since 2020. A graduate in business administration, he began his career with the Allianz Group before joining UNIQA's International Bancassurance in 2008 and subsequently headed the department of Group Strategy from 2010 until 2012. He then served as Chief Operations Officer of our Romanian subsidiary for four years, before joining the Management Board for Retail at UNIQA Hungary in 2016. Wolf Christoph Gerlach completed his postgraduate studies at Harvard Business School.

What we want to be:

More than just an insurance company

Our world is currently facing major challenges: developments and events such as a brutal war of aggression in one of our markets, the Covid-19 pandemic, climate change, demographic changes, increasing natural catastrophes, increased inflation, high energy prices, shortages of raw materials and supplies, as well as growing mountains of debt challenge not only companies and entire economies, but each and every one of us. The question is: Who provides security in such a scenario? Who can we trust?

This is the challenge we face at UNIQA. Because security has been our mission for more than 200 years. We stand by our customers and help them to assume their own responsibility – in terms of health and prevention as well as in protecting their property. In order to be able to do this sustainably, we must continue to develop. As a basis and guideline for this, we presented the UNIQA 3.0 strategic programme at the end of 2020. And we have already made good progress in implementing it in 2021.

UNIQA 3.0 – Seeding the Future

At the end of 2020, we set out with the UNIQA 3.0 strategic programme to sustainably increase our relevance and impact in people's lives. Because it is not enough for us to be just an insurance company. We must and we also want to be more than that.

Response to the current challenges

The growth programme "UNIQA 3.0 – Seeding the Future" is the positive response to the many challenges facing society, the economy and people today.

Our overriding vision is to protect and improve the health and prosperity of our customers in this environment. To achieve this, we focus on maximum customer orientation by consistently meeting the needs of our customers and further developing business segments that enable us to have more positive points of contact with them. At the same time, we are increasingly focusing on sustainability in all our activities.

Ambitious objectives …

The two main strands of action in the implementation of this vision are the **optimisation** of our core business – newly divided into the customer segments Retail, Corporate and Affinity, and Banking – on the one hand, and the **re-exploration** of innovative business segments, digital business models and the development of an ecosystem in the health sector on the other.

The overriding objective is to be the **leading service provider for a better life**. Other ambitions are to maintain our market leadership in Austria, to become number 5 in CEE – which we have already achieved – to be cost-efficient and profitable, and to position ourselves as the most attractive employer in the industry.

The financial targets set for 2025 under UNIQA 3.0 are very concrete and ambitious: they concern premium growth (approx. 3 per cent p.a.), the combined ratio in property/casualty insurance (approx. 93 per cent), the total cost ratio (approx. 25 per cent), the return on equity (>9 per cent), the solvency ratio (>170 per cent) and customer satisfaction (4.5 stars out of 5). This should enable us to earn our cost of capital on a sustainable basis. At the same time, it allows us to pay attractive dividends and invest in the future – positively for our company's employees and customers as well as for its shareholders. We have already made measurable progress in each area in 2021.

… and clear principles

In our relationship with our customers, but also in the company itself, we always want to be inspiring coaches and are guided in our actions by five clear principles: customer first, simplicity, responsibility, integrity, and community.

UNIQA 3.0 at a glance

Our aspiration (purpose statement)	**Improve and protect health and prosperity**
"With both hands" (ambidexterity)	**Optimise** our core business in Retail, Corporate and Affinity, and Banking **Re-explore** innovative business segments, above all in the health ecosystem
Guiding principles	**Customer first** · **Simplicity** · **Responsibility** · **Integrity** · **Community**
Inspiring coach	**The best version of ourselves**
Our objective	**Leading service provider for a better life**

Our strategic goals until 2025

★★★★½
Attractive employer

€ 100 million
Sales with new business models

★★★★½
Best service provider in Austria and CEE

Top 5
Position in core markets in CEE

€ 50 million
Reduction of operating costs

1st
Market leader in Austria

Financial initiatives UNIQA 3.0

	Core financial initiatives	Operational performance indicators	2020	2021	2025
Growth	**1. Austria** – market leadership **2. CEE** – No. 5 in the market **3. New business segments** – SanusX	Premium growth	3.6%	14.2%	ø 3% p. a.
Earnings	**4. Cost reduction Austria and CEE** **5. Increased profitability** – property/casualty insurance **6. Stabilisation of the portfolio** – life insurance	Combined ratio Cost ratio Return on equity	97.8% 29.4% 0.6%	93.7% 27.4% 9.3%	< 94% ~ 25% 8–10%
Quality	**7. Strong solvency position** **8. Attractive dividend payment** **9. Best service provider**	Solvency ratio Customer satisfaction AT Customer satisfaction CEE	170% 4.2 4.4	196% 3.9 4.6	> 170% ≥ 4.5 ≥ 4.5

UNIQA 3.0 – holistic approach

Megatrends

Low interest rates and a shift in economic power

Demographic and social change

Innovation and digitalisation

Climate change and sustainability

Vision and mission

UNIQA.
living better together.

As inspiring coaches, we carry an unwavering attitude in our hearts towards the world around us. An attitude that is positive, humane, builds on the strength of our community and creates benefits at all levels.

Customer first It's our DNA
Responsibility It's our future
Community It's our life
Simplicity It's our time
Integrity It's our reputation

Business models

Optimisation of our core business

Re-exploration of innovative business segments

Strategic objectives

Critical initiatives

Action items

Projects and measures

Strategic pillars

In implementing UNIQA 3.0, we are focusing on standardising, simplifying and scaling our existing business as well as on maximum efficiency increases and the targeted development of new business segments. The significant strategic pillars of this programme are as follows:

- **Austria and CEE – two core markets created**
  Our two core geographic markets remain Austria and CEE; here, the focus will be on Poland, the Czech Republic, Slovakia and Hungary. The countries in Central Europe are gaining considerably in strategic importance, especially due to the acquisition and integration of the former AXA companies in Poland, the Czech Republic and Slovakia.

- **Optimisation and expansion of the existing business**
  In the sense of cost-effective restructuring and optimisation, we have defined a number of critical initiatives which deal with topics such as our processes, IT and data or organisational structure as well as with the attractive financial figures we strive for. In Austria, these programmes aim to secure and expand UNIQA's strong market position. In CEE, on the other hand, the focus is on integrating the AXA companies and further expanding the business.

- **Structure in line with customer needs instead of by business lines**
  Effective 1 January 2021, we have organised all operational insurance companies of the UNIQA Group according to the customer segments Retail, Corporate and Affinity, and Banking instead of the previous business line structure. This enables us to address the individual customer groups in a much more focused manner across the boundaries of product lines or families and, in addition to further increasing efficiency as well as customer satisfaction and loyalty, should also lead to a growth in premiums.

- **Opening up attractive new business models: CHERRISK and SanusX**
  As we continue to develop our business, we are also focusing on two completely new, disruptive concepts: the purely digital, app-based distribution platform CHERRISK for simple travel, household and casualty insurance that can be cancelled at any time, and our subsidiary SanusX, which is driving the development of our Group in the direction of a holistic healthcare provider.

- **Earnings and sustainability-oriented adjustments in asset management**
  To support current income, we are increasingly investing in illiquid assets with more attractive returns, such as infrastructure debt and equity, private equity and mortgage loans, instead of government bonds. At the same time, we are also pursuing a clear sustainability strategy in the investment area and are consistently pushing ahead with the exit from the coal business – as an investor as well as an insurer. Infrastructure investments in projects to promote the energy transition and the issuance of green bonds also serve this objective.

- **Increased earnings for our owners**
  The safeguarding and strengthening of the Group's financial position aimed at within the framework of UNIQA 3.0 naturally also has a positive effect on UNIQA's shareholders. In this way we can offer our owners an appropriate return on their invested capital and thus also a continuously stable dividend.

Efficient organisational structure

Processes focused around the customer

Higher productivity

Great progress in implementation

Immediately after the presentation of UNIQA 3.0 in November 2020, the implementation of diverse programme measures began. In addition to the rapid integration of the companies acquired from AXA in CEE in 2020 (for details see page 24) and the consistent implementation of the efficiency improvement programme in Austria (see page 25), we have already made great progress with numerous other initiatives.

While customer-facing activities in the Retail segment focused on creating an outstanding customer journey and on simple products, the Corporate and Affinity segment focused on innovative services and distribution channels and the Banking segment on market expansion and digitalisation (see page 21 et seq. for more details). At the same time, we have been working hard internally to further improve our processes and to further develop our IT systems and data. Here, too, the focus was on digitalisation, automation and increased efficiency as well as on improving the environmental footprint.

Strategy cockpit: consistent monitoring of success

In order to keep a constant eye on the progress and degree of implementation of the new strategic programme, we have developed a clear and easy-to-understand control instrument: the UNIQA 3.0 Strategy Cockpit. After the first year, it shows a very pleasing interim status in all dimensions of UNIQA 3.0. We are almost entirely on target with the planned measures, and the successful implementation of our strategic initiatives is already reflected in the profits, as mentioned above. In terms of premium income, we are even above the objective in almost all customer segments, in Austria as well as internationally. Total costs, on the other hand, remained below the target value in 2021 thanks to the consistent implementation of all savings measures. These are good prerequisites for an equally successful continuation of UNIQA 3.0 in the current year.

Sustainability and ESG as central concerns

Sustainability is a core element of our programme for the future, UNIQA 3.0. Our goal is to make UNIQA climate neutral by 2040. We are committed to the Paris climate target of 1.5 degrees Celsius and are a member of important international associations and initiatives, including the UN Principles for Responsible Investments (PRI) and the Net-Zero Asset Owner Alliance. Our holistic sustainability strategy is based on an investment policy designed according to ESG criteria, an ESG-oriented product policy, exemplary operational management, transparent reporting and committed stakeholder management. We are not yet where we want to be on all these issues, but we are working hard to get there. Our top priority here is to integrate the concept of sustainability into our core business.

Five cornerstones form the foundation of our sustainability strategy:

Investment policy based on ESG criteria	ESG-oriented product policy	Exemplary sustainable business management	Transparent reporting and independent ratings	Engaging stakeholder management

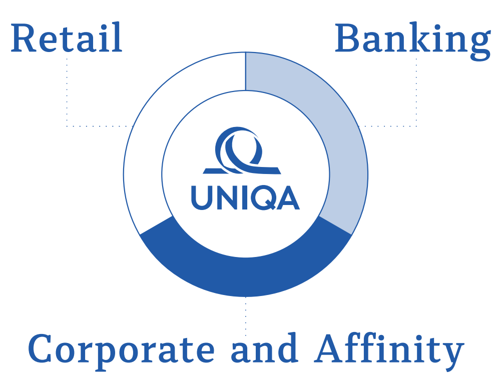
living **better** together

Inspiring coaches for our customers

UNIQA 3.0 makes our attitude towards our customers very clear: we want to sustainably increase our relevance and impact in people's lives. As inspiring coaches, we are reliable companions for our customers to improve their lives and help them to take responsibility for themselves. We do this better than anyone else and therefore aspire to be the leader among the service providers in our industry.

In order to turn this ambitious vision into reality, we have placed our customer care on a completely new footing and structured it according to customer segments as of the beginning of 2021. This reorientation was accompanied by a host of other measures, including a rebranding of the entire group and the rewording of our claim into "living better together".

Effective 1 January 2021, the operational insurance companies of the UNIQA Group have been organised in the **Retail, Corporate and Affinity,** and **Banking** customer segments, replacing the previous business line structure. This enables us to address the individual customer groups in a much more focused manner across the boundaries of product lines and, in addition to further increasing customer satisfaction, should also lead to a growth in premiums. The continuous strength of the UNIQA brand – the strongest insurance brand in Austria – an attractive and easy-to-understand product portfolio, transparent pricing, cross-border cooperation, customer-specific affinity programmes and a wide range of digital tools and services form the basis for this.



An essential building block for all of this is the ongoing digitalisation of our business, which we have been working on consistently since 2016 – supported by massive investments. The focus is on the redesign of our business model, including all necessary IT systems, as well as digital innovations.

Expansion of strong position in Austria, growth in CEE

From a regional perspective, we are striving to secure and expand our strong market position in Austria, especially in the area of health insurance, to strengthen profitability in property and casualty insurance and to stabilise the portfolio in life insurance. At the same time, we are working on a massive cost reduction and efficiency increase (see also page 25).

In CEE, on the other hand, strengthened by the acquisition of the former AXA companies in Poland, the Czech Republic and Slovakia, we want to continue to make targeted use of the great potential of high GDP growth rates and low insurance density. We are relying on a radical transformation of our business model with this through digitalisation, increased comparability, more transparency, hybrid offers for different channels, as well as cross-border customer-focused services.

Depending on the customer segment, the fundamental reorientation of our market access results in different detailed strategies and corresponding measures. We initiated many of these in 2021 and have already implemented some of them.

Retail: outstanding customer journey

An outstanding customer journey and simple products are our top priorities and objectives in the retail segment. Customers want individualisation, transparency and flexibility, and we are responding to this by streamlining and modularising our product portfolio, but also with dynamic pricing based on individual customer yield ratings. At the same time, we are addressing the trend of urbanisation with specific customer journeys for typical urban target groups. At the same time, we have also optimised our nationwide presence in Austria by expanding our general agencies.

In order to be able to offer our customers holistic solutions for different topics, we consciously regard relevant living environments as "ecosystems". Following the health ecosystem, in which we have already successfully diversified the group-wide service spectrum with our subsidiary SanusX, founded in 2020 (see also page 26), we are currently in the process of establishing the topic of housing as its own ecosystem. A prototype is already being implemented in Hungary.

In all of this, progressive digitalisation is changing the traditional role of sales. Examples are the UNIQA Customer Platform (UCP), which ensures comprehensive support with a 360-degree perspective in line with our seamless omni-channel strategy, or digital offerings such as the myUNIQA app, which our customers can use at any time to call up information, report claims or submit medical and medication bills. The app, whose design was made even clearer in 2021, is already used regularly by 20 per cent of our customers. Our new benefits and customer loyalty programme myUNIQA plus also proved to be very successful, gaining 125,000 users in its first year of operation in 2021, many of them members of the younger generation. With this innovative new tool, we are setting new standards in reducing complexity and increasing efficiency.

We are also using artificial intelligence in claims processing, for example with the new "digital claim handler" introduced in 2021, which will massively speed up the processing of claims. A completely new, disruptive concept in this area is CHERRISK – a purely digital, app-based sales platform for simple travel, household and casualty insurance that can be cancelled at any time and allows cross-border offers without a physical presence.

Retail:

Outstanding customer journey and simple products

- Individualisation, transparency, flexibility
- Modularisation of the product portfolio
- Health and housing as "ecosystems"
- Digitalisation and omni-channel strategy in sales

Corporate and Affinity: innovative services and sales channels

Customized solutions and innovative sales channels characterise our approach to our corporate customers. While we are increasingly positioning ourselves as a local insurance company here in Austria, the focus in CEE is on risk engineering. In both regions, we focus on property insurance and on tailor-made affinity programmes – individual offers for the customers or employees of our customers. One example of this is employee benefits in health, accident and life insurance. Here, too, our subsidiary SanusX plays an important role with innovative concepts for corporate health solutions.

We also rely on automation and digitalisation in our standard business with corporate clients with the support of the Corporate Business Navigator, a Group-wide IT platform for underwriting, sales and risk management. However, the latter is also changing our business itself: for example, we are seeing a significant increase in demand for cyber insurance, especially in Austria, and have developed attractive solutions for this. The advancing digital networking also creates the possibility of usage-based tariffs, the automated application of which we are currently examining. Likewise, thanks to sensor technology and the Internet of Things, data-driven prevention is becoming an interesting option – especially for industrial customers.

Banking: market expansion and digitalisation

Against the backdrop of generally closer cooperation between banks and insurance companies, we are striving for market expansion in this customer segment and – as in the other business segments – increased digitalisation. Based on a cooperation with our partner banks which was further intensified in 2021, we will rely on standardised digital sales platforms in Austria as well as in CEE, from which we will jointly offer financial services from a single source.

In this segment too, the model of holistic ecosystems will increasingly ensure a holistic approach and support, supported by – even disruptive – digital sales options. As in the Retail segment, this requires a simplification of our product portfolio and an adaptation to changing customer needs – especially in CEE, insurance products that are easy to conclude are a central element of our strategy. At the same time, we would like to use bank sales to increasingly address small and medium-sized enterprises as well as farmers as new customer groups.

Operations and IT: excellent processes, first-class data

As far as our internal operations are concerned, we are working constantly and intensively in Austria and CEE to improve our production and efficiency. This includes increasing the cross-policy rate in claims settlement as well as ongoing efficiency improvements and cost reductions, for example through consistent process simplification. Further organisational changes are also planned, such as the merging of service units.

At the same time, we are constantly investing in the modernisation of our IT infrastructure and our core system (UNIQA Insurance Platform, UIP), our customer platform (UNIQA Customer Platform, UCP) and other central systems. In this context, we are also giving important impetus to IT security and cybersecurity in order to live up to our role of trust as an insurance company.

All of this will also be clearly felt by our customers through service improvements. Bots and self-service solutions support this process, such as the further expansion of the myUNIQA app.

Rebranding and cultural programme

Since the new claim of UNIQA 3.0 should also manifest itself in our corporate image, we have also initiated a rebranding for the entire Group in 2021. Apart from an update of our corporate design, this also included a further development of our claim – it is now “living better together” – as well as the development and launch of a new image campaign. At the same time, we launched a culture programme to introduce our corporate culture to the concept of inspiring coaches. Extensive further measures for our employees round off the package (see page 27 et seq. for details).

Corporate & Affinity:

Innovative services and sales channels

- Risk engineering
- Affinity programmes for customers and employees
- Focus on cyber insurance
- Premiums based on use

Banking:

Market expansion and digitalisation

- Financial services from a single source
- Simplified product portfolio
- Standardised digital sales platforms
- New target groups: SMEs and agriculture

Successful in CEE

The integration of the former AXA subsidiaries in Poland, Slovakia and the Czech Republic is going exactly according to plan.

In 2021, the integration of the companies acquired by the AXA Group in 2020 progressed exactly as planned in Poland, the Czech Republic and Slovakia. This acquisition – which involved around 5 million customers, 2,100 employees and €800 million in premiums – has made UNIQA one of the leading insurance groups in CEE. The operational merger and the realisation of initial synergies have already been completed as planned. Now the process is continuing rapidly.

Rapid operational integration

The integration of the acquired companies began immediately after the closing on 15 October 2020. Phase I – which included the legal merger of the respective country companies, the rebranding to the UNIQA brand in line with the Group's one-brand strategy and the operational merger – has already been successfully completed. The changeover to the new organisational structure took place smoothly in all countries, and the existing business was not only secured, but even further expanded.

Leveraging long-term synergies …

The next step, Phase II, will be to standardise the product range, customer-oriented processes and IT landscape. This increased cross-border use of commonalities and capabilities within the Group is intended to underpin the long-term synergy objective from the acquisition. Specifically, savings of €45 million per year are to be achieved by 2024. This objective is already within reach thanks to the very successful progress of the integration. €20 million of this has already been secured, and the rest is backed by concrete measures throughout. The staff reduction of around 600 full-time employees associated with the integration is also progressing faster than planned, and almost half of it was already implemented by the end of 2021.

… and strategic transformation

Finally, Phase III will see the implementation of UNIQA 3.0 in Poland, the Czech Republic and Slovakia as well. The focus will be on the business model, digitalisation and automation along with the corporate culture.

According to the current plan, most of the measures will be completed by the end of 2023. Part of the integration costs could already be covered by realised synergies in 2021, and UNIQA already expects clearly positive net effects in the current year. As the integration progresses, the earnings contributions from the new companies should continue to increase significantly, as the integration costs will decrease significantly while the synergies begin to take full effect.

Unique opportunity, perfect strategic fit

With a purchase price of around €1 billion, the acquisition of the former AXA companies was both the largest corporate acquisition in UNIQA's history and the largest acquisition in the Austrian insurance industry in Central and Eastern Europe to date. The AXA companies fit perfectly into our long-term growth strategy, because with their focus on profitable retail business, a balanced product mix and a dense sales network, they ideally complement our existing business. With this acquisition, the UNIQA Group is strengthening its position in the highly competitive CEE growth markets on a sustainable basis and moves from number seven to number five in the region as a whole. With this transaction, we have gained private and corporate customers in three growth markets in which we were already very profitable.

Slimming down effectively

Efficiency increase and cost reduction in Austria

In 2021, we also made gratifying progress in the implementation of our "Fit for the Future" cost programme. It aims at a profound optimisation of our existing business and thus contributes decisively to reducing the total cost ratio in the Group to 25 per cent by 2025.

Taking into account the currently necessary investments in IT and the fulfilment of new regulatory requirements, there is a clear need for cost savings in the ongoing operations of UNIQA in Austria. About two thirds of the planned savings are to come from the area of material costs, one third from reduced personnel costs. The necessary reduction of our staff in Austria was already implemented in full by the end of 2021.

The radius of the fitness programme extends to all business areas and major cost types. The focus is on sales and IT, finance and general administration, the optimisation of our locations throughout Austria and a reduction of external IT and other consulting costs as well as our marketing and sponsoring expenses.

The long-term goal for 2025 is a Group-wide total cost ratio of 25 per cent in relation to premium volume, which means a reduction of 4 percentage points compared to the level of 2020. The underlying streamlining of our organisation, process simplifications, a customer-centric market approach, the simplification and standardisation of our product portfolio and the optimisation of our pricing are, however, not only intended to increase our profitability. They also serve the objective of positioning us as the best service provider and most attractive employer in the industry.

Rapid implementation of measures

A whole bundle of individual measures has been put together to implement this initiative. We have already started on most of them, and many have already been completed. Here are the most important ones:

- By the end of 2021, we were able to fully implement the planned closure of 35 ServiceCentres to **optimise our location network**. The development of successful field staff into general agencies also proceeded very quickly, increasing the number of general agency locations to 333.

- As planned, we merged the functions of market research, product marketing, product development, pricing, sales and customer management for the customer groups **Retail** and **Corporate** into one business area in 2021. This not only offers advantages for customer service, product policy and sales management, but also entails leaner decision-making processes.

- We have also made good progress on the **streamlining and modularisation of our product landscape**. We are currently working intensively on standardising and automating our products and processes in the areas of property, liability, accident and motor vehicle insurance.

Continued **high dynamics** at **SanusX**

SanusX – preventing better together

Through the acquisition of consentiv, the market leader in Austria for mental health, and a 39-per-cent stake in cura domo Holding, which specialises in home nursing and care, SanusX tapped in to two attractive business segments in 2021. The subsidiary founded in April 2020 is driving the development of our Group into a holistic healthcare provider, building on our experience as Austria's leading healthcare insurer with the LARA network (laboratory, doctor, X-ray, pharmacy) with over 260 partners, around 100 VitalCoaches and five hospitals (PremiQaMed). After the successful market launch of the SanusX Health Shield, which proved to be a quick, simple and reliable product for detecting Covid-19 infections, SanusX also entered the field of corporate mental healthcare and acquired consentiv, Austria's leading provider in this segment for corporate clients. The common objective: to expand the existing consulting activities and build up smart prevention solutions. Innovation and digitalisation play a central role in this. It is precisely in these important future topics that SanusX also wants to support cura domo, the Austrian market leader in 24-hour home care.

sanusx

FOR A HEALTHIER SOCIETY

Most attractive **employer**

Working even better together. According to this guiding principle, the UNIQA Group is pursuing the ambitious objective of becoming the most attractive employer in the industry by 2024. Specifically, UNIQA wants to achieve at least 4.5 stars on a scale of one to five in implementing the new corporate strategy UNIQA 3.0. To achieve this, we have designed a wealth of measures. Many of them were already initiated in 2021, and some have even been implemented. However, digitalisation, automation and the Covid-19 crisis pose major challenges for employees.

In addition to the changes resulting from the Covid-19 pandemic, HR management is also confronted with a number of questions regarding new job profiles, working models and techniques, and changing perceptions of potential employees. Working from home has come to stay and face-to-face meetings have almost become the exception. UNIQA supports hybrid working, responds to the individual needs of employees and, thanks to a company agreement, allows them to combine mobile working, working from home and working in the office.

The constant adaptation and improvement of our modern work concepts is also reflected in the satisfaction of our employees. In 2021, UNIQA once again received several employer awards, including Forbes World's Best Employer and Leading Employer Austria. Among 1,000 employers evaluated in the Best Recruiters Ranking, UNIQA was ranked 66th and thus in the "Silver" category. At the same time, we were pleased about a jump of 152 places in "trend" magazine, to 73rd place. And the rating of 4.0 out of five stars on kununu also confirms the satisfaction of our employees and testifies to the open, appreciative and respectful communication within our company.

However, there is still room for improvement in targeted external communication – i.e. whenever UNIQA introduces itself to potential new employees. In addition to common channels such as cooperative efforts with universities, career and job fairs and our presence on social media and career platforms, we want to strengthen and sustainably develop our employer brand primarily through communication with our employees. In doing so, we focus on tools, projects and formats that enable a better exchange with our employees and thus ensure even greater satisfaction, more commitment and identification with UNIQA as an employer. When positioning UNIQA as an employer, all employees are given the opportunity to contribute their feedback, which is then incorporated into the final version. With the help of our employees, we can thus create a clear, uniform and differentiating employer positioning and support potential candidates in their decision-making process through authentic communication.

Five key action items for HR

In order to make UNIQA more attractive as an employer, we have defined five central action items, which we have already actively worked on implementing in 2021: for example, the higher-level objective within the UNIQA 3.0 strategy, cultural transformation, has been initiated and the entire "employee journey" has been improved.

1. **Employee Experience**
   Improved recruiting, onboarding, offboarding and ongoing employee feedback
2. **Employee Engagement**
   Continued development of the company culture along the current strategic programme
3. **Learning and Leadership**
   Continuing education and mentoring as part of the redefined Learning Strategy
4. **Digital Skills**
   Digitalisation of HR processes for forward-looking, future-oriented planning
5. **Future of Work**
   Redesign and flexibilisation of the UNIQA working environment

- In the area of **Employee Experience** we are making continuous progress, which can be seen in the satisfaction of our employees. Through improvements in recruiting, onboarding and offboarding and ongoing feedback in the evaluation system, we continue to raise our Group-wide standards and thus work consistently to establish the UNIQA brand as Austria's leading employer brand.

- In order to define our target culture, we have more clearly delimited and analysed the action item **Employee Engagement**. More than 8,000 employees in twelve countries took part in a group-wide culture survey. After evaluating the results, three target dimensions were derived: community, responsibility and simplicity. We cooperate beyond the usual boundaries, we encourage each other to take responsibility, we take action and we learn from mistakes.

- In addition to our leadership programmes and further training in the action items **Learning and Leadership**, mentoring is also an effective measure for increasing career opportunities in the company. As part of our newly defined learning strategy, we prepare our employees for future digital and hybrid working environments and encourage them to share their experience, expand their network and optimise their skills. This benefits both their mentees and the mentors themselves.

- Almost all of our HR activities are based on our initiatives in the action item **Digital Skills**. Starting with a modernisation of the human resources management system, we have laid the foundation for the development of new analysis and analytics capabilities as well as for the introduction of strategic HR demand planning. Digitalisation facilitates HR processes and enables UNIQA to plan its capabilities and resources in a forward-looking, future-oriented manner. Strengthening the digital skills of all employees will be a priority in the coming years.

- Our action item **Future of Work** continuously monitors technological progress in the workplace, analyses changes resulting from the Covid-19 pandemic and digitalisation, and provides guidelines for better orientation in this new working environment. Under the motto "Working better together", we offer a wide range of information and tips on how our employees can make their work from home as functional as possible, which meeting form is suitable for which occasion and how our office space is best used. In addition, there are numerous new offers for health and well-being, such as the fitness break or the mystery break for informal exchange while working from home. The objective of such activities is to experience and strengthen the sense of community online as well.

Diversity and inclusion (D&I)

Our employees are just as diverse as our customers. Together, we form a community in which we value and respect each other, regardless of gender, age, origin, physical ability, sexual orientation, religion, world view or other characteristics. The diversity of our employees makes UNIQA a place of personal growth, development and meaningful engagement. We only consider our guiding principle "living better together" to be fulfilled when equal rights and equal opportunities are actually given in their entirety. We reaffirmed this commitment in 2021, among other things, by joining the Diversity Charter of the Austrian Federal Economic Chamber and a joint workshop of members of the Supervisory Board and the Management Board on the topic of "Unconscious Bias".

We underline our commitment to diversity and inclusion with numerous initiatives. In 2021, for example, we celebrated International Women's Day as well as Pride Month and used our UNIQA Tower in Vienna as a colourful ambassador for it.

Measures and objectives 2021

After formally appointing a Diversity and Inclusion Officer, UNIQA tackled a wide range of further measures last year. Under the auspices of two members of the Management Board, the Diversity and Inclusion Committee was set up to ensure the implementation of the new diversity strategy in all areas and processes of the company. To establish the legal foundations, training sessions were held on the topic of equal treatment law in the workplace.

After the women's network "Women with Power – Network Now", which was already founded in 2020 and which, among other things, campaigns for a higher proportion of women in management positions and equal pay for work of equal value, in 2021 we initiated a generation network, an LGBTQIA+ dialogue forum, the "Balance Work and Family" group and, most recently, a network for people with disabilities. For the latter, detailed analyses, so-called "DisAbility Performance Checks", were also carried out in cooperation with myAbility, barriers on the website were reduced and a communication focus was set.

Priorities and challenges 2022

We want to establish diversity and inclusion as a fixed, self-evident part of our everyday life and thus sustainably change our corporate culture. In order to achieve this objective, in 2022 we will continue to pursue the initiatives and measures already launched, anchor them more firmly and intensify them. In addition to the development of a Diversity and Inclusion Policy, the introduction of a standardised process for dealing with allegations of discrimination is also planned. Existing elements such as the guiding principles and objectives of Diversity and Inclusion will be enriched into a comprehensive strategy of their own, which will form the basis for all our activities.

An important criterion for the successful implementation of our diversity strategy is the measurability of our objectives. Therefore, in addition to the already existing Inclusion Index, the development of an indicator system is planned, which will make the impact of our efforts visible and provide new approaches for improvements and measures. With the help of this indicator system, we want to create more transparency and commitment – an important thematic focus in 2022. In addition, we will increasingly initiate initiatives on the dimensions of gender, generations, people with disabilities and sexual orientation.

There is a particular challenge with regard to the participation of women in leadership roles: Although, at 57 per cent, more women than men work in the UNIQA Group, the proportion of women among the members of the Management Boards in our insurance companies is only 28 per cent Group-wide and in management only 44 per cent.

More information on diversity management can be found in the Corporate Governance Report starting on page 36.

3

What we offer investors:

An attractive return on their capital

UNIQA shares are the first option for investors when they think of UNIQA and the capital market. But our bonds are also listed – albeit less prominently – on the Vienna Stock Exchange and thus also present themselves as an attractive investment. In both categories we were able to enjoy a very healthy development in 2021: our share price increased by more than a quarter, and with our bonds we achieved a very positive structural improvement towards longer maturities and lower interest rates shortly before the end of the year. One pleasing result: the confirmation of the A– rating from Standard & Poor's, which impressively proves our financial strength.

The basis for all this is a solid company performance. UNIQA delivered a strong result in 2021 despite challenges. Even in a year with a historically high burden of storm losses, we managed to improve the technical result: with a combined ratio of 93.7 per cent, we have even exceeded our medium-term plans and expectations: this is also the basis of our attractive dividend proposal of 55 cents per share.

Russian invasion of Ukraine jeopardises positive capital market development

2021 was predominantly characterised by a strong recovery from the Covid-19 crisis of the year before, in the overall economy as well as in the financial markets. The main reason for this were the broadly successful countermeasures to contain the pandemic, combined with unprecedented monetary and fiscal policy support on both sides of the Atlantic. The result was a strong economic recovery following the sharp drop in growth in the wake of the Covid-19 crisis. Unfortunately, the war in Ukraine that broke out at the end of February overshadows any further economic recovery in 2022. In particular, the prices of European securities have reacted negatively in the wake of the Russian invasion.

Share rally in 2021

The global stock markets had already been betting on a scenario of strong economic data and rising corporate profits since autumn 2020 and recorded corresponding gains. Many important stock indices continued this rally in 2021 thanks to improved economic indicators and attractive labour markets. By August 2021, for example, the S&P 500 had doubled since its lows of the Covid-19 crisis and continued to set new records. At the end of December 2021, the broad US market – measured by the S&P 500 – was up almost 27 per cent compared to the beginning of the year. The development of the domestic ATX was even stronger, up by as much as 44 per cent over the course of the year. The main driver of the overall strong global stock market performance was in fact the expected profit development of the companies in addition to the recovery of the global economy.

Rising inflation, persistently low interest rates in the eurozone

While the gross domestic product of the eurozone increased by around 5.0 per cent in 2021, the inflation rate also showed a steady upward trend: a rate of −0.3 per cent in December 2020 contrasted with a substantial inflation rate of more than 4 per cent at the end of 2021. Interest rates, on the other hand, remained low. The monetary policy of the European Central Bank (ECB) ensured that money market rates (Euribor) remained closely aligned with the ECB deposit rate of −0.5 per cent in 2021. In March, the ECB reacted to an undesired rise in long-term interest rates and increased the monthly volume of bond purchases as part of the Pandemic Emergency Purchase Programme. This kept long-term interest rates only slightly above short-term interest rates until the end of August. From September onwards, medium- to long-term capital market rates moved somewhat upwards, which also triggered higher interest rate and inflation expectations in the short term. Towards the end of the year, however, renewed concerns about the pandemic and economic developments led once again to a flattening of the yield curve. In contrast to the development in the eurozone, interest rate expectations in the USA have already risen by 2021 year-end. This upward movement was driven primarily by the US central bank (the FED), which has unequivocally signalled a tightening of the ultra loose monetary policy for 2022.

War in Europe

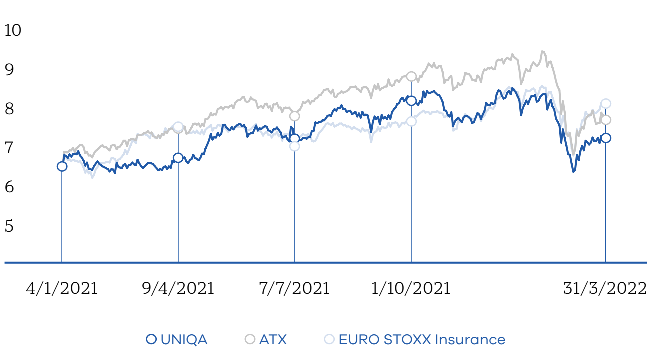
Major uncertainty arrived in Europe in February 2022 with Russia's war of aggression in Ukraine. Aside from the unimaginable human suffering in Ukraine, the medium- to long-term effects on the European real and financial economy can barely be foreseen currently as of mid-March. Western countries, with the USA at the forefront, adopted and implemented unprecedented sanctions against Russia in response to the attack which violates international law. This directly or indirectly affects global commodity and food markets, energy prices, industrial inputs and, in particular, international financial transactions with Russia. The capital markets have reacted accordingly, with European stock indices in particular losing value.

UNIQA shares: **Attractive investment**

UNIQA shares continue to offer attractive returns

Following the successful reIPO in October 2013 and the resulting sharp increase in liquidity, UNIQA shares have also been listed on Austria's leading ATX index since 2014. In the first year of the new strategic programme UNIQA 3.0, the UNIQA share price went up sharply during the year. Starting the year at €6.48, it reached its low for the year of €6.30 on 17 February 2021. Subsequently, however, the share price rose steadily and reached its annual high of €8.40 on 5 November 2021. In the end, the UNIQA share closed the 2021 stock market year at €8.07, thereby recording a year-on-year gain of around 26 per cent. The EURO STOXX Insurance, the benchmark index for the European insurance industry, gained around 21 per cent in the same period. Due to the Russian attack on Ukraine, the price of UNIQA shares lost considerably and on 31 March 2022 stood at €7,19.

UNIQA share performance
In €



Equity story

- Market leader in the profitable Austrian health insurance sector
- Integration of the former AXA companies in CEE makes significant contribution to results
- Radical cost reductions in Austria
- Solid capital position
- Attractive dividend policy

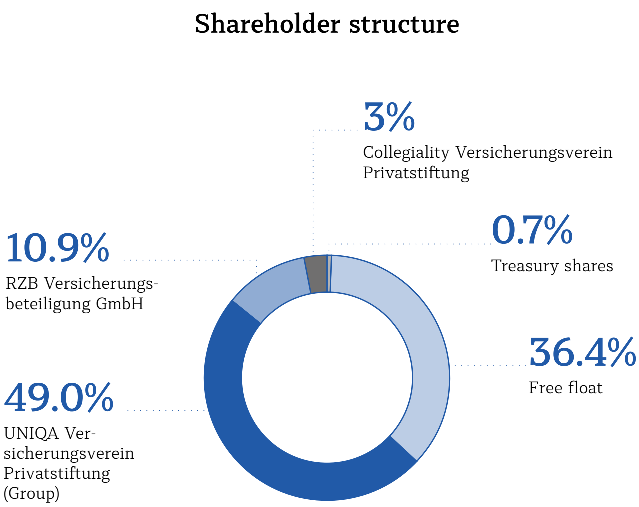
Shareholder structure unchanged

The shareholder structure of the UNIQA Group continues to be stable: the core shareholder UNIQA Versicherungsverein Privatstiftung (Group) holds a total of 49.0 per cent of the UNIQA shares. Of these, 41.3 per cent belong to Austria Versicherungsverein BeteiligungsVerwaltungs GmbH, while UNIQA Versicherungsverein Privatstiftung holds 7.7 per cent. Raiffeisen Bank International AG is another core shareholder that holds 10.9 per cent of shares through RZB Versicherungsbeteiligung GmbH. Finally, the core shareholder Collegialität Versicherungsverein Privatstiftung holds 3.0 per cent of the UNIQA shares. The company's portfolio of treasury shares remains unchanged at 0.7 per cent. The free float amounted to 36.6 per cent by the end of 2021, and therefore represented more than one-third of total shares and a value of around €900 million.

The shares of the three core shareholders are counted together as a result of their pooled voting rights. Reciprocal purchase option rights have also been agreed.

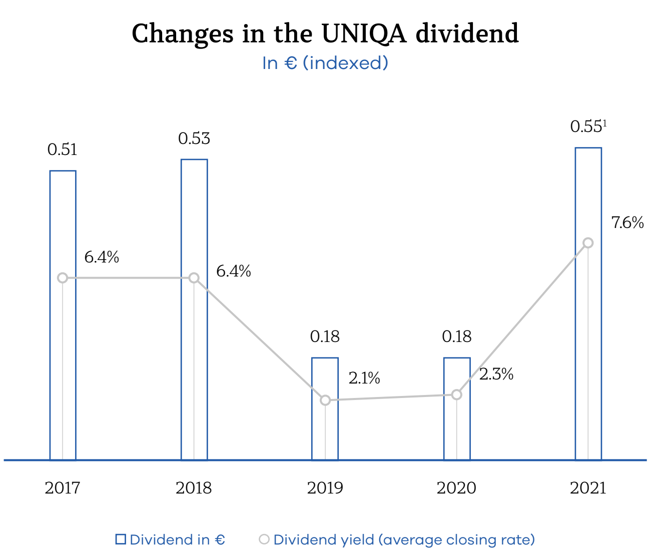
UNIQA shares – key figures In €	2021	2020	2019	2018	2017
UNIQA share price as at 31 December	8.07	6.40	9.10	7.86	8.82
High	8.40	9.95	9.56	10.46	9.05
Low	6.30	4.78	7.84	7.72	7.09
Average stock exchange turnover/day (in € million)	3.5	4.3	3.3	4.7	5.6
Market capitalisation as at 31 December (in € million)	2,477.2	1,964.6	2,793.4	2,412.7	2,707.4
Average number of shares in circulation	306,965,261	306,965,261	306,965,261	306,965,261	306,965,261
Earnings per share	1.03	0.06	0.56	0.79	0.56
Dividend per share	0.55[1]	0.18	0.18	0.53	0.51

[1] Proposal to the Annual General Meeting



Dividend of 55 cents – despite Covid-19 and ongoing restructuring

As we are aware of our responsibility for UNIQA's long-term sustainable development and the capital invested by our shareholders, it is important to us that UNIQA shareholders enjoy a reasonable portion of the company's profits. On the basis of the separate financial statements of UNIQA Insurance Group AG, the Management Board will therefore propose to the Annual General Meeting the payment of a dividend of €0.55 per dividend-bearing share for the 2021 financial year. In total, this corresponds to a payout of almost €170 million or a payout ratio of 53.6 per cent.



[1] Proposal to the Annual General Meeting

The new strategic programme, UNIQA 3.0, was presented at the end of 2020 and contains clear operational and financial objectives until 2025. The payout ratio is also an essential element of this: UNIQA plans to distribute between 50 per cent and 60 per cent of the consolidated profit as dividends to shareholders in the years 2021 to 2025.

In constant dialogue with the financial community

We attach the utmost importance to providing our shareholders, analysts, as well as the entire financial community with regular, comprehensive and up-to-date information about the ongoing performance of the company. To this end, the UNIQA management team was again available in 2021 to answer the questions of investors and analysts at numerous virtual roadshows and banking conferences, and also held a large number of one-on-one meetings during the year. All reports and corporate information can also be accessed online at: www. uniqagroup.com. In addition, our investor relations team is always happy to answer individual questions:

Shares – information

Ticker symbol	UQA
Reuters	UNIQ.VI
Bloomberg	UQA AV
ISIN	AT0000821103
Market segment	Vienna Stock Exchange – prime market
Trade segment	Official Market
Indices	ATX, ATX FIN, VÖNIX, MSCI Europe Small Cap
Number of shares	309,000,000

UNIQA Insurance Group AG
Investor Relations
Untere Donaustrasse 21,
1029 Vienna, Austria
Phone: (+43) 01 21175-3773
E-mail: investor.relations@uniqa.at

UNIQA bonds: **Solidly financed**

Interest burden lowered, term extended

After equity, subordinated capital takes second place in the capitalisation of our insurance business. Here we have recently been able to achieve a significant structural improvement: in December 2021, we took advantage of market conditions and repurchased outstanding subordinated bonds with a nominal value of €375 million in parallel with the issue of a green bond. This not only enabled us to extend the maturity of our financial liabilities, but above all significantly reduced the interest burden in the coming years. The buy-back was carried out at a premium on the nominal amount. We have already fully reflected these additional finance costs in the balance sheet in the fourth quarter of 2021.

Long-term financing at favourable conditions

In total, UNIQA had subordinated bonds with a nominal value of €1,050 million outstanding as at 31 December 2021. After the transaction at year-end 2021, the weighted average coupon of these subordinated bonds is around 4.3 per cent. Combined with the long maturity, the low interest rate makes these capital instruments very attractive. In addition, there is currently a senior bond with a nominal value of €600 million on the market, which we issued in connection with the acquisition of the former AXA companies in CEE.

Green bonds – active investments in a sustainable future

Within the scope of issuing our green bonds, we have committed ourselves to making investments in equal amounts in renewable energy projects (wind and solar parks) as well as in sustainable waste management (waste separation, recycling including energy production) and mobility (rail transport, local public transport). The performance of our green bonds impressively proves how much sustainable investment forms are sought after in the portfolios of many investors. In terms of climate protection, we see a clear and gratifying trend here: sustainability has become a determining factor in investment decisions.

Standard & Poor's confirms excellent capitalisation

The current A– rating from Standard & Poor's (S&P) for the UNIQA Insurance Group reflects our financial strength. This rating is based on the profitable business model, market leadership in private health insurance in Austria and first-class capitalisation, which has already reached the AAA Level in the S&P model. The currently outstanding subordinated bonds are fully recognised as capital by S&P and are therefore a long-term component of our capital strategy.

Research

The following investment banks currently publish regular research reports on UNIQA shares:

- Commerzbank
- Kepler Cheuvreux
- Erste Group Bank
- Raiffeisen Bank International

Financial calendar 2022

13 May	Record date for the Annual General Meeting
19 May	First Quarter Results 2022, Solvency and Financial Condition Report 2021
23 May	Annual General Meeting
2 June	Ex-dividend date
3 June	Dividend record date
7 June	Dividend payment date
19 Aug.	Half-Year Financial Report 2022
17 Nov.	First to Third Quarter Results 2022

Consolidated **Corporate Governance** Report

UNIQA has been committed to compliance with the Austrian Code of Corporate Governance since 2004 and publishes the declaration of conformity both in the Group report and on www.uniqagroup.com in the Investor Relations section. The Austrian Code of Corporate Governance is also publicly available at www.uniqagroup.com and www.corporate-governance.at.

The Corporate Governance Report and the Consolidated Corporate Governance Report of UNIQA Insurance Group AG are summarised in this report in accordance with Section 267b in conjunction with Section 251(3) of the Austrian Commercial Code.

Implementation and compliance with the individual rules in the Austrian Code of Corporate Governance, with the exception of Rules 77 to 83, are evaluated annually by PwC Wirtschaftsprüfung GmbH. Rules 77 to 83 of the Austrian Code of Corporate Governance are evaluated by the law firm Schönherr Rechtsanwälte GmbH. The evaluation is carried out based mainly on the questionnaire, published by the Austrian Working Group for Corporate Governance, for the evaluation of compliance with the Code. The reports on the external evaluation in accordance with Rule 62 of the Austrian Code of Corporate Governance can also be found at www.uniqagroup.com.

The Supervisory Board is supported by Vienna Strategy HUB GmbH with self-assessments of the Supervisory Board regarding the efficiency of its activities (Rule 36 of the Austrian Code of Corporate Governance).

UNIQA also declares its continued willingness to comply with the Austrian Code of Corporate Governance as currently amended. However, UNIQA deviates from the provisions of the Code as amended with regard to the following C rules (comply or explain rules), and the explanations are set out below.

Rule 49 of the Austrian Code of Corporate Governance

Due to the growth of UNIQA's shareholder structure and the special nature of the insurance business with regard to the investment of assets, there are a number of contracts with companies related to individual members of the Supervisory Board in which these Supervisory Board members discharge duties as members of governing bodies. If such contracts require approval by the Supervisory Board in accordance with Section 95(5)(12) of the Austrian Stock Corporation Act (Rule 48 of the Austrian Code of Corporate Governance), the details of these contracts cannot be made public for reasons of company policy and competition law. All transactions are in any case entered into and processed on an arm's length basis.

Members of the Management Board

Name	Responsible for	Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the consolidated financial statements
Andreas Brandstetter, Chief Executive Officer (CEO) * 1969, appointed 1 January 2002 until 30 June 2024	Strategy & Transformation, UNIQA Ventures, New Business Areas (Health), General Secretariat, Auditing	▪ Member of the Supervisory Board of STRABAG SE, Villach ▪ Member of the Advisory Board of the KHM Association of Museums, Vienna
Peter Eichler, Personal Insurance * 1961, appointed 1 July 2020 until 30 June 2024	Product Development – Health, Life & Casualty, Health Inpatient Benefits, Asset Management (UCM/UREM)	
Wolf-Christoph Gerlach, Operations * 1979, appointed 1 July 2020 until 30 June 2023	Application, Contract & Customer Service, Claims Motor Vehicle/Property/Casualty Insurance, Life & Outpatient Health Benefits, Company Organisation (incl. OPEX & GPO), Purchasing & Administration, Group Service Centre (Nitra)	
Peter Humer, Customers & Markets Austria * 1971, appointed 1 July 2020 until 30 June 2024	Regional Offices, Retail Austria, Product Development & Pricing for Motor Vehicles and Standard Property Business, Sales Service, Sales Management, Corporate Austria, Product Development & Risk Engineering for Property Corporate, Affinity Business, Art Insurance, Digitalisation	
Wolfgang Kindl, Customers & Markets International * 1966, appointed 1 July 2020 until 30 June 2024	Retail International, Product Development & Pricing for Motor Vehicles and Non-Life Standard Business, Sales Service, Sales Management, Corporate International, Product Development & Risk Engineering for Non-Corporate, Large/International Brokers, Affinity Business, Bank International, Product Service, Sales Service, Sales Management, New Insurance Solutions, Mergers & Acquisitions, Performance & Change Management International, General Secretariat International	
René Knapp, HR & Brand * 1983, appointed 1 July 2020 until 30 June 2023	Strategic Personnel Management, Operating Personnel Management, Brand & Communication, Ethics, Sustainability & Public Affairs, Works Council	▪ Member of the Supervisory Board of Österreichischen Förderungsgesellschaft der Versicherungsmathematik GmbH (ÖFdV GmbH), Vienna (since 19 February 2021)
Erik Leyers, Data & IT * 1969, appointed 1 June 2016 until 30 June 2024	Data Management, UITS (UNIQA IT Services GmbH), UIP Project (UNIQA Insurance Platform)	▪ Member of the Supervisory Board of Raiffeisen Informatik Geschäftsführungs GmbH, Vienna

Management and monitoring functions in significant subsidiaries	Portfolio of UNIQA shares as at 31 December 2021
▪ Chairman of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Chairman of the Supervisory Board of SIGAL UNIQA Group AUSTRIA sh.a., Tirana ▪ Chairman of the Supervisory Board of SIGAL LIFE UNIQA Group AUSTRIA sh.a., Tirana ▪ Chairman of the Board of Directors of UNIQA Re AG, Zurich	124,479 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Chairman of the Supervisory Board of PremiQaMed Holding GmbH, Vienna ▪ Member of the Supervisory Board of Valida Holding AG, Vienna ▪ Member of the Supervisory Board of UNIQA Biztosító Zrt., Budapest (until 19 May 2021) ▪ Member of the Board of Directors of UNIQA Versicherung AG, Vaduz ▪ Member of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń na Życie S.A., Warsaw ▪ Member of the Supervisory Board of AXA Życie Towarzystwo Ubezpieczeń S.A., Warsaw (until 9 April 2021 – merger with UNIQA Towarzystwo Ubezpieczeń na Życie S.A.) ▪ Member of the Supervisory Board of UNIQA penzijní společnost a.s., Prague (since 12 May 2021) ▪ Member of the Supervisory Board of UNIQA investiční společnost a.s., Prague (since 12 May 2021) ▪ Member of the Supervisory Board of UNIQA poisťovňa a.s., Bratislava (since 15 January 2021) ▪ Member of the Supervisory Board of UNIQA d.d.s., a.s., Bratislava (since 10 June 2021) ▪ Member of the Supervisory Board of UNIQA d.s.s., a.s., Bratislava (since 10 June 2021) ▪ Chairman of the Board of Directors of UNIQA GlobalCare SA, Geneva (Member of the Board of Directors until 19 March 2021)	10,669 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Member of the Supervisory Board of UNIQA Asigurari de Viata SA, Bucharest (since 3 March 2021) ▪ Member of the Supervisory Board of CherryHUB BSC Korlátolt Felelösségü Társaság, Budapest ▪ Member of the Supervisory Board of UNIQA Biztosító Zrt., Budapest (since 19 May 2021) ▪ Member of the Supervisory Board of UNIQA pojišťovna, a.s., Prague (since 15 March 2021) ▪ Member of the Supervisory Board of AXA životní pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Member of the Supervisory Board of AXA pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Member of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń S.A., Warsaw (since 28 June 2021)	6,570 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Member of the Supervisory Board of Salzburg Wohnbau GmbH, Salzburg ▪ Member of the Supervisory Board of "Wohnungseigentum", Tiroler gemeinnützige Wohnbaugesellschaft m.b.H., Innsbruck (since 1 August 2021)	10,937 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Vice Chairman of the Board of Directors of UNIQA Versicherung AG, Vaduz (until 22 January 2021) ▪ Chairman of the Supervisory Board of UNIQA Asigurari SA, Bucharest (until 24 August 2021) ▪ Chairman of the Supervisory Board of UNIQA Asigurari de Viata SA, Bucharest (until 24 August 2021) ▪ Chairman of the Supervisory Board of UNIQA Insurance plc, Sofia (until 19 April 2021) ▪ Member of the Supervisory Board of SIGAL UNIQA Group AUSTRIA sh.a., Tirana ▪ Member of the Supervisory Board of SIGAL LIFE UNIQA Group AUSTRIA sh.a., Tirana ▪ Chairman of the Supervisory Board of UNIQA poisťovňa a.s., Bratislava (until 14 January 2021) ▪ Chairman of the Supervisory Board of UNIQA pojišťovna, a.s., Prague (until 14 January 2021) ▪ Chairman of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń na Życie S.A., Warsaw (until 9 April 2021) ▪ Chairman of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń S.A., Warsaw (until 9 April 2021) ▪ Member of the Board of Directors of UNIQA GlobalCare SA, Geneva (Chairman of the Board of Directors until 19 March 2021) ▪ President of the Supervisory Board of CherryHUB BSC Korlátolt Felelösségü Társaság, Budapest (since 30 March 2021)	17,848 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Member of the Supervisory Board of UNIQA pojišťovna, a.s., Prague (until 14 January 2021) ▪ Member of the Supervisory Board of UNIQA osiguranje d.d., Zagreb (until 4 March 2021) ▪ Member of the Supervisory Board of UNIQA poisťovňa a.s., Bratislava (until 14 January 2021)	10,000 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Member of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń S.A., Warsaw ▪ Member of the Supervisory Board of AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A., Warsaw (until 9 April 2021 – merger with UNIQA Towarzystwo Ubezpieczeń S.A.) ▪ Member of the Supervisory Board of UNIQA Biztosító Zrt., Budapest (until 19 May 2021) ▪ Member of the Supervisory Board of UNIQA pojišťovna, a.s., Prague ▪ Member of the Supervisory Board of AXA životní pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Member of the Supervisory Board of AXA pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Chairman of the Supervisory Board of UNIQA Group Service Center Slovakia, spol. s r.o., Nitra ▪ Chairman of the Supervisory Board of sTech d.o.o., Belgrade	9,371 shares

Members of the Management Board

Name	Responsible for	Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the consolidated financial statements
Klaus Pekarek, Customers & Markets Bancassurance Austria * 1956, appointed 1 July 2020 until 30 June 2022	Product Service, Sales Service, Sales Management	
Kurt Svoboda, Finance & Risk Management * 1967, appointed 1 July 2011 until 30 June 2024	Legal & Compliance, Investor Relations, Controlling, Finance & Accounting, Actuarial Services, Risk Management, Regulatory, Reinsurance, Auditing	▪ Member of the Supervisory Board of Wiener Börse AG, Vienna

The work of the Management Board

The work of the members of the Management Board of UNIQA Insurance Group AG is regulated by the rules of procedure. The allocation of the responsibilities as decided by the Group Executive Board is approved by the Supervisory Board. The rules of procedure govern the obligations of the members of the Management Board to provide the Supervisory Board and each other with information and approve each other's activities. The rules of procedure also specify a list of activities that require consent from the Supervisory Board. The Management Board generally holds weekly meetings in which the members of the Management Board report on the current course of business, determine what steps should be taken and make strategic corporate decisions. In addition, there is a continuous exchange of information between the members of the Management Board regarding relevant activities and events.

The meetings of the Management Boards of UNIQA Insurance Group AG and UNIQA Österreich Versicherungen AG, which are composed of the same individuals, are usually held as joint sessions.

The Management Board informs the Supervisory Board at regular intervals, in a timely and comprehensive manner, about all relevant questions of business development, including the risk situation and the risk management of the Group. In addition, the Chairman of the Supervisory Board is in regular contact with the CEO to discuss the company's strategy, business performance and risk management.

Management and monitoring functions in significant subsidiaries	Portfolio of UNIQA shares as at 31 December 2021
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Vice Chairman of the Supervisory Board of Valida Holding AG, Vienna	13,283 shares
▪ Member of the Management Board of UNIQA Österreich Versicherungen AG, Vienna ▪ President of the Board of Directors of UNIQA Versicherung AG, Vaduz (until 22 January 2021) ▪ Vice Chairman of the Board of Directors of UNIQA Re AG, Zurich ▪ Member of the Supervisory Board of UNIQA pojišťovna, a.s., Prague (since 15 March 2021) ▪ Member of the Supervisory Board of AXA životní pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Member of the Supervisory Board of AXA pojišťovna a.s., Prague (from 15 March 2021 until 31 August 2021 – merger with UNIQA pojišťovna, a.s.) ▪ Member of the Supervisory Board of CherryHUB BSC Korlátolt Felelösségü Társaság, Budapest (since 20 September 2021) ▪ Member of the Supervisory Board of UNIQA Biztosító Zrt., Budapest (since 18 June 2021) ▪ Member of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń S.A., Warsaw (since 28 June 2021) ▪ Member of the Supervisory Board of UNIQA Towarzystwo Ubezpieczeń na Życie S.A., Warsaw (since 28 June 2021)	17,797 shares

Members of the Supervisory Board

Name	Supervisory Board appointments in domestic and foreign listed companies	Management and monitoring functions in significant subsidiaries	Number of UNIQA shares held as at 31 December 2021
Walter Rothensteiner, Chairman * 1953, appointed 3 July 1995 until the 24th AGM (2023)		▪ Chairman of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Christian Kuhn, 1st Vice-Chairman * 1954, appointed 15 May 2006 until the 24th AGM (2023)		▪ Vice Chairman of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Johann Strobl, 2nd Vice-Chairman * 1959, appointed 25 May 2020 until the 24th AGM (2023)	▪ Vice Chairman of the Supervisory Board of Tatra banka, a. s., Bratislava	▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Burkhard Gantenbein, 3rd Vice-Chairman * 1963, appointed 29 May 2017 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	25,250 shares
Markus Andréewitch, Member * 1955, appointed 26 May 2014 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Marie-Valerie Brunner, Member * 1967, appointed 28 May 2018 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	1,750 shares
Anna Maria D'Hulster, Member * 1964, appointed 20 May 2019 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Elgar Fleisch, Member * 1968, appointed 28 May 2018 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Martin Grüll, Member * 1959, appointed 20 May 2019 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna	
Jutta Kath, Member * 1960, appointed 30 May 2016 until the 24th AGM (2023)		▪ Member of the Supervisory Board of UNIQA Österreich Versicherungen AG, Vienna ▪ Member of the Board of Directors of UNIQA Re AG, Zurich	
Delegated by the Central Works Council			
Sabine Andre * 1966, since 20 May 2019			
Peter Gattinger * 1976, from 10 April 2013 until 26 May 2015 and since 30 May 2016			
Heinrich Kames * 1962, since 10 April 2013			56 shares
Harald Kindermann * 1969, since 26 May 2015			750 shares
Irene Scheiber * 1965, since 20 May 2020			

Committees of the Supervisory Board

Committee	Chairman	Vice Chairman	Members	Delegated by the Central Works Council
Committee for Board Affairs	Walter Rothensteiner	Christian Kuhn	Burkhard Gantenbein, Johann Strobl	
Working Committee	Walter Rothensteiner	Christian Kuhn	Elgar Fleisch, Burkhard Gantenbein, Martin Grüll, Johann Strobl	Sabine Andre, Peter Gattinger, Heinrich Kames
Audit Committee	Walter Rothensteiner	Christian Kuhn	Anna Maria D'Hulster, Burkhard Gantenbein, Jutta Kath, Johann Strobl	Sabine Andre, Peter Gattinger, Heinrich Kames
Investment Committee	Martin Grüll	Christian Kuhn	Marie-Valerie Brunner, Anna Maria D'Hulster, Burkhard Gantenbein, Jutta Kath	Sabine Andre, Peter Gattinger, Heinrich Kames
IT Committee	Markus Andréewitch	Jutta Kath	Marie-Valerie Brunner, Elgar Fleisch	Peter Gattinger, Heinrich Kames
Digital Transformation Committee	Elgar Fleisch	Burkhard Gantenbein	Markus Andréewitch, Marie-Valerie Brunner, Anna Maria D'Hulster, Walter Rothensteiner	Sabine Andre, Peter Gattinger, Heinrich Kames

The work of the Supervisory Board and its committees

The Supervisory Board advises the Management Board in its strategic planning and projects. It decides on the matters assigned to it by law, the Articles of Association and its rules of procedure. The Supervisory Board is responsible for supervising the management of the company by the Management Board. It is comprised of ten shareholder representatives and five employee representatives and it convened for five meetings in 2021. One decision was made by way of circular resolution. All members of the Supervisory Board attended more than half of the meetings of the Supervisory Board in the 2021 financial year either in person, or virtually via telephone or video conference.

A Committee for Board Affairs has been appointed to handle the relationship between the company and the members of its Management Board relating to employment and salary; this committee also acts as the Nominating and Remuneration Committee and is composed of the members of the Executive Committee of the Supervisory Board. The Committee dealt with the remuneration strategy and succession planning in several meetings in 2021.

The Working Committee of the Supervisory Board is only called upon to make decisions if the urgency of the matter means that the decision cannot wait until the next meeting of the Supervisory Board. It is the Chairman's responsibility to assess the urgency of the matter. The resolutions passed must be reported in the next meeting of the Supervisory Board. Generally, the Working Committee can make decisions on any issue that is the responsibility of the Supervisory Board, but this does not include issues of particular importance or matters that must be decided upon by the full Supervisory Board by law. The Working Committee did not convene for any meetings in 2021. One decision was made by way of circular resolution.

The Audit Committee of the Supervisory Board performs the duties assigned to it by law. The Audit Committee convened for three meetings, which were also attended by the statutory auditor of the (consolidated) financial statements, and there were also discussions with the auditor without the presence of the Management Board. The meetings dealt with all the documents relating to the financial statements, the Corporate Governance Report, the appropriation of profit proposed by the Management Board and the report on the audit of the risk management (all for the 2020 financial year). Furthermore, the audit of the 2021 financial statements of the companies of the consolidated group was planned, and the statutory auditor reported on the results of preliminary audits. In particular, the Audit Committee received quarterly reports from Internal Audit concerning audit areas and material findings based on the audits conducted and the compliance officer reported on her activities on an ongoing basis. The accounting process was monitored on the basis of concrete case studies. A public tender was launched for the audit of the financial statements for the 2023 financial year.

The Investment Committee advises the Management Board with regard to its investment policy; it has no decision-making authority. The Investment Committee held four meetings during which the members discussed the capital investment strategy, questions concerning capital structure and the focus of risk management and asset liability management.

The IT Committee dealt with the ongoing monitoring of the progress of the project implementing the UNIQA Insurance Platform (new core IT system) over the course of four meetings.

The Digital Transformation Committee held four meetings in 2021 in which it dealt with the digitalisation of core processes, the reduction in complexities in the product portfolio and the consolidation of digital work processes related to customers and employees.

The chairs of the respective committees informed the full Supervisory Board about the meetings and their committees' work.

For information concerning the activities of the Supervisory Board and its committees, please also refer to the details in the Report of the Supervisory Board.

As the shareholder representatives are composed of the same individuals, the Supervisory Board of UNIQA Insurance Group AG meets in a joint session with the Supervisory Board of UNIQA Österreich Versicherungen AG.

Independence of the Supervisory Board

All members of the Supervisory Board elected during the Annual General Meeting have declared their independence under Rule 53 of the Austrian Code of Corporate Governance. Both Anna Maria D'Hulster and Jutta Kath also fulfil the criteria of Rule 54 of the Austrian Code of Corporate Governance, as they are not shareholders with a stake of more than 10 per cent and they equally do not represent the interests of this group.

A Supervisory Board member is considered independent if he or she is not in any business or personal relationship with the company or its Management Board that represents a material conflict of interest and is therefore capable of influencing the behaviour of the member concerned.

UNIQA has established the following additional criteria for determining the independence of a Supervisory Board member:

- The Supervisory Board member should not have been a member of the Management Board or a senior executive of the company or a subsidiary of the company in the past five years.

- The Supervisory Board member should not maintain or have maintained within the last year any business relationship with the company or a subsidiary of the company that is material for the Supervisory Board member concerned. This also applies to business relationships with companies in which the Supervisory Board member has a significant economic interest, but does not apply to functions performed on decision-making bodies in the Group.

- The Supervisory Board member must not have been an auditor of the company or a shareholder or salaried employee of the auditing company within the last three years.

- The Supervisory Board member should not be a member of the Management Board of another company in which a Management Board member of the company is a member of the other company's Supervisory Board unless one of the companies is a member of the other company's group or holds an investment in the other company.

- The Supervisory Board member should not be a member of the Supervisory Board for longer than 15 years. This does not apply to Supervisory Board members who are shareholders with a business investment or who are representing the interests of such a shareholder.

- The Supervisory Board member should not be a close family relative (direct descendant, spouse, life partner, parent, uncle, aunt, sibling, niece or nephew) of a Management Board member or of persons who are in one of the positions described in the above points.

Measures to promote women on the Management Board, the Supervisory Board and in executive positions

Our employees are just as diverse as our customers. Together, we form a community in which we value and respect each other, regardless of gender, age, origin, physical ability, sexual orientation, religion, world view or other characteristics. The decision to promote diversity and inclusion at UNIQA is the decision to live “customer first”.

UNIQA is convinced that a high degree of diversity can enhance its success on a sustainable basis. This is also confirmed by numerous studies. In addition to better financial results, greater satisfaction among customers and employees and higher innovation potential, diversity has a particular effect on increased resilience, risk awareness and flexibility and is thus a decisive success factor in times of pandemics.

With Marie-Valerie Brunner, Anna Maria D'Hulster and Jutta Kath, three women have been elected to join the Supervisory Board of UNIQA Insurance Group AG. The proportion of female Supervisory Board members among the elected members (shareholder representatives) therefore amounts to the legally required 30 per cent. With Sabine Andre and Irene Scheiber, two women have been delegated to the group of employee representatives on the Supervisory Board, which means that there is a ratio of 40 per cent female members in the group of employee representatives. In relation to the full Supervisory Board, the legal quota of women is also exceeded with a share of 33 per cent.

There is no woman among the nine members of the Management Boards of UNIQA Insurance Group AG and UNIQA Österreich Versicherungen AG, which are composed of the same individuals. As this does not reflect UNIQA's conviction, the UNIQA Group is implementing various accompanying measures in addition to the clear commitment to “more women in management positions”. The objective is to change the framework conditions and prerequisites in such a way that the organisation becomes more permeable for women's careers. At 57.3 per cent (2020: 56.3 per cent), the share of women in the total workforce in the UNIQA Group was again increased by 1 percentage point at the end of 2021. This high proportion is driven primarily by the international insurance companies (62.6 per cent).

The proportion of women on the Management Boards in the Group is 28.1 per cent and was significantly increased compared to 2020 (23.1 per cent). This was thanks to the fact that, despite a reduction in the overall number of Management Board positions due to the integration of the former AXA companies, the number of women slightly increased in the international companies.

Of a total of 494 managers in Austria, 165 are women, which corresponds to a share of 33 per cent and is 2 percentage points above the level of the previous year. In the UNIQA Group's international companies outside Austria, 484 of a total of 991 managers are currently women. The figure thus remained almost constant at just under 49 per cent. In the entire UNIQA Group, the average number of female managers is thus 43.7 per cent (649 of a total of 1,485 persons) which is clearly above the level of the previous year (39.4 per cent).

Diversity concept

Following the formal appointment of a Diversity and Inclusion Officer in 2020, the Diversity and Inclusion Committee has now been set up. Under the auspices of two Management Board members, the committee has set itself the task of improving the way diversity and inclusion are embedded in all areas and processes of the company and ensuring consistency with our strategy. To establish the legal foundations more firmly, training sessions were held on equal treatment law in the workplace.

The well-known focal points remain unchanged:

1. Women in management – more women in management positions

2. Compensation fairness – equal pay for work of equal value

3. Generation management – old and young together contribute to the success of the company

4. People with disabilities – integrate, promote and offer positions where they can use their strengths

5. Achieving a work/life balance

6. Internationality and background – using internationality and cultural diversity as a strength

7. Sexual orientation – all sexual orientations and identities are respected

In April 2021, a workshop was held with all members of the Supervisory Board and the Management Board on this topic. The focus here was on gender diversity.

UNIQA sees measurability as an essential criterion for the successful implementation of any strategy. Therefore, an inclusion index was created as part of the regular employee survey. Combining certain questions, it indicates how well the company succeeds in creating a working environment in which appreciation, equal opportunities, fairness and belonging can be experienced by very diverse people at UNIQA. In 2021, this index was surveyed for the first time and now serves as an important assessment of diversity and inclusion from the employees' point of view.

Women in management

The objective here in 2021 was to determine the status quo by means of a well-founded analysis of the current situation and to find approaches for effective measures. This was successfully implemented in the context of the indexing for the Women's Career Index. One of the most important results was the development of recruitment guidelines. These are intended to promote diversity in all teams and at all management levels, ensure equal opportunities for all employees and guarantee an objective and transparent selection process for managers.

In addition, the UNIQA mentoring programme was launched to support talented employees in their personal and professional development. Mentoring makes it possible to share professional and strategic (experience-based) knowledge, expand your network and optimise skills. This makes it an effective measure for increasing career opportunities in the company. We see mentoring as enrichment for all participants – both mentees and mentors. In November, the first cohort was able to start as part of a pilot project.

The successful cooperation initiatives with Female Founders and Business Riots were continued in 2021. Thus, UNIQA is offering frequent and attractive opportunities for personal development.

Improving work-life balance plays a clear role in equal opportunities. In order to demonstrate our open attitude to this topic to the outside world and to receive ideas for ongoing improvements, UNIQA became a member of the "Companies for Families" network in 2021. Based on the experiences with remote work during the Covid-19 crisis, models were developed to give employees the opportunity to continue to work from home in future in a suitable manner.

Compensation fairness

One of our objectives is "equal pay for work of equal value". This results in the obligation to fulfil all legal requirements regarding equal pay. To support fairer pay, UNIQA in Austria has collected and analysed data on equal pay and applies best practices to eliminate bias in pay decisions. An important prerequisite for establishing comparability between the different roles was the implementation of grading. This was also done in 2021. As it also provides information on the gender distribution in higher-ranking functions, it provides another important starting point for targeted measures.

Generation management

The increasing shortage of skilled workers, which will intensify in the coming years due to demographic developments, was identified as a major challenge for the future. In 2022, the proportion of the working-age population in Austria will decline for the first time. Here, too, UNIQA is taking action at different points. From the newly founded generation network, which surveys the needs and expectations of different age groups, to an Austria-wide apprenticeship concept, which aims to increase the training of the company's own skilled workers.

People with disabilities
DisAbility Performance Check, launched in the fourth quarter of 2020, was completed in 2021. This provided a detailed analysis of the situation of people with disabilities at UNIQA. Based on the results of this analysis, a strategy for the gradual expansion of inclusion was developed. The measures already implemented include reducing barriers on the website as well as a communication focus around the Day of People with Disabilities or raising targeted awareness among employees. This was the start of an ongoing process that will be continued in 2022 by establishing a network for inclusion and offering job shadowing for students with disabilities.

Recent involvement in myAbility events (myAbility Lounge in October and Disability Comfort Day in November 2021) underscore UNIQA's commitment to people with disabilities.

Commitment against exclusion
We also reaffirmed our fundamental rejection of all forms of exclusion and discrimination in 2021 in many different ways. UNIQA celebrated International Women's Day as well as Pride Month, during which a network for members and supporters of the LGBTQIA+ community was founded. The UNIQA Tower was used as a prominent ambassador along the Danube Canal with an impressive rainbow display. "Orange the World" as a clear statement to protest violence against women and #purplelightup to champion a barrier-free economy also made the Tower shine in the corresponding colours. Our joining the Charter of Diversity of the Austrian Federal Economic Chamber is another expression of our stance.

Remuneration Report
The Remuneration Report is prepared by the Management Board and the Supervisory Board of UNIQA Insurance Group AG in accordance with Section 78c of the Austrian Stock Corporation Act and will be submitted to a vote at the Annual General Meeting on 23 May 2022.

Risk report, directors' dealings
A comprehensive risk report (Rules 69 and 70 of the Austrian Code of Corporate Governance) is included in the notes to the consolidated financial statements. The notifications concerning directors' dealings in the year under review (Rule 73 of the Austrian Code of Corporate Governance) can be found in the Investor Relations section of the Group website at www.uniqagroup.com.

External evaluation
Implementation of, and compliance with, the individual rules in the Austrian Code of Corporate Governance were evaluated by PwC Wirtschaftsprüfung GmbH for the 2021 financial year – with the exception of Rules 77 to 83. Rules 77 to 83 of the Austrian Code of Corporate Governance are evaluated by the law firm Schönherr Rechtsanwälte GmbH. The evaluation is carried out based mainly on the questionnaire, published by the Austrian Working Group for Corporate Governance, for the evaluation of compliance with the Code.

The evaluation by PwC Wirtschaftsprüfung GmbH and Schönherr Rechtsanwälte GmbH confirming that UNIQA complied with the rules of the Austrian Code of Corporate Governance in 2021 – to the extent that these rules were covered by UNIQA's declaration of conformity – will be published simultaneously with the annual financial report for the 2021 financial year. One rule was not applicable to UNIQA in the evaluation period.

Vienna, 9 March 2022

Andreas Brandstetter,
Chairman of the
Management Board

Peter Eichler
Member of the
Management Board

Wolf-Christoph Gerlach
Member of the
Management Board

Peter Humer
Member of the
Management Board

Wolfgang Kindl
Member of the
Management Board

René Knapp
Member of the
Management Board

Erik Leyers
Member of the
Management Board

Klaus Pekarek
Member of the
Management Board

Kurt Svoboda
Member of the
Management Board

Report of the **Supervisory Board**

Dear shareholders,
ladies and gentlemen,

After the difficult transformation year 2020, it was particularly important for the Supervisory Board 2021 to support the Management Board as best as possible in the first year of our new strategy programme "UNIQA 3.0 - Seeding the Future" and to accompany it closely in our function as a supervisory body. In order to give you a good overview of the work of the Supervisory Board in this economically successful year, I am dividing my report – similar to last year – into three parts:

1. What was particularly important to us in 2021

The focus of our meetings was clearly on the implementation of our new strategy programme. We did not focus solely on the key financial figures, but looked intensively at the underlying projects and work programmes. Very soon it was gratifyingly apparent that we were not only making progress in the **development of the existing core business**, but that the expected contribution to earnings from the integration of the **AXA companies in Poland, the Czech Republic and Slovakia** was also materialising as planned.

The **operational functioning of our Supervisory Board** and its committees remained flexible, in line with the legal measures around Covid-19 that are currently in force: some of our meetings took place physically, with many more taking place virtually. As the Supervisory Board of the listed UNIQA Insurance Group AG is also the Supervisory Board of UNIQA Österreich Versicherungen AG, the range of topics is naturally very wide, from purely strategic ones to those that are particularly customer- and business-related. This represents an exciting challenge for our Supervisory Board, requiring precise preparation of the meetings and – especially with digital meeting formats – particularly disciplined time management, as our meetings lasted around six hours on average in the 2021 financial year. The decision to hold the **Annual General Meeting** virtually once again was particularly difficult for us – following the capital increase in October 2013, the "Re-IPO", active and timely capital market communication and therefore personal discussions with you as our shareholders are a key concern of the Management Board and Supervisory Board. There is no doubt that this would work better at a physical meeting rather than virtually.

Reflections on the **quality of our cooperation within the Supervisory Board** and with the Management Board have become much more important. We therefore appointed Werner H. Hoffmann, Director of the Institute for Strategic Management at the Vienna University of Economics and Business, to provide us with professional support with the structured optimisation of cooperation within the Supervisory Board and to work with us in developing proposals for improvement. It is important for us to constantly put the quality of our working methods to the test and consistently develop them further, especially in fast-moving and volatile times.

2. Timeline and details of our main areas of focus

In the course of 2021, the Supervisory Board was regularly informed by the Management Board about the business performance and position of UNIQA Insurance Group AG and the Group as a whole. It also supervised the Management Board's management of the business and fulfilled all the tasks assigned to the Supervisory Board by law and the Articles of Association. At the Supervisory Board meetings, the Management Board presented detailed quarterly reports and provided additional oral as well as written reports. The Supervisory Board was given timely and comprehensive information about measures requiring our approval.

Four informational events or special seminars on the topics of diversity, IFRS 9 and IFRS 17, IT security, risk management and compliance were held for the Supervisory Board in 2021. An informational event on agile transformation was held for the IT Committee.

Focus of our deliberations
The Supervisory Board held five meetings in 2021. Our meetings focused on the respective earnings situation within our Group and its further strategic development. We also made one decision by way of circular resolution.

- At our meeting held on **17 February**, we mainly discussed the Group's preliminary results for the 2020 financial year. In addition, a resolution was passed to amend the rules of procedure for the Management Board and the Supervisory Board (increase in the amount limits for the Supervisory Board's approval requirement) and rules of procedure were adopted for all committees appointed from now on.

- The Supervisory Board meeting on **7 April** focused on the audit of the annual financial statements and consolidated financial statements for the year ended 31 December 2020 and on the reports from the Management Board with up-to-date information on the performance of the Group in the first quarter of 2021. We also discussed the agenda for the 22nd Annual General Meeting held on 31 May 2021, in particular the proposed appropriation of profits and the proposal to the Annual General Meeting to elect PwC Wirtschaftsprüfung GmbH as statutory auditors for the 2022 financial year. The report by auditors PwC Wirtschaftsprüfung GmbH and lawyers Schönherr Rechtsanwälte GmbH regarding compliance with the provisions of the Austrian Code of Corporate Governance (ÖCGK) in the 2020 financial year was also acknowledged.

- At the meeting on **19 May**, we looked in detail at the Group's earnings in the first quarter of 2021 and development in the current ongoing second quarter of 2021. Furthermore, the results of the "Board Excellence" programme to evaluate and further develop the efficiency and effectiveness of the Supervisory Board, which was carried out with the support of Werner H. Hoffmann, Director of the Institute for Strategic Management at the Vienna University of Economics and Business, were presented and discussed.

- On **18 August**, we discussed the Group's earnings in the first half of 2021 and developments in the third quarter of 2021. The Supervisory Board was informed by the Management Board of the need for investments in the infrastructure of the Confraternität and Goldenes Kreuz private hospitals in Vienna. The Management Board was asked to give further consideration to this issue in view of these needs.

- In addition to reporting on the Group's profits in the first three quarters of 2021 and ongoing developments in the fourth quarter of 2021, our meeting on **17 November** also covered the updated forecast for the 2021 financial year. The 2022 budget and medium-term planning up to 2026 presented by the Management Board were adopted by the Supervisory Board. An investment project for the new construction and merger of the Confraternität and Goldenes Kreuz private hospitals at the Confraternität private hospital site in Vienna was approved by the Supervisory Board. Finally, we looked at the efficiency of our activities.

- On **25 November**, we passed a circular resolution for the partial buy-back of the 2023 and 2026 Tier 2 issues valued at up to €375 million and approved the issuance of a new subordinated Tier 2 bond ("Green Bond") at the same nominal amount.

Committees of the Supervisory Board

In addition to the Audit Committee required by law, we have set up a further five committees in order to ensure that the work of our Supervisory Board is structured effectively.

- The work of the **Executive Committee** of the Supervisory Board, which consists of the same individuals as the **Committee for Board Affairs** and the **Nominating and Remuneration Committee** for the Management Board, was also of particular significance in 2021. The Committee dealt intensively with the progress of the UNIQA 3.0 strategic programme as well as the remuneration strategy of the extended Management Board and succession planning in several meetings.

- The **Audit Committee** held three meetings in the 2021 financial year in the presence of the (Group) auditor, with whom discussions also took place without the presence of the Management Board. The meeting on 7 April discussed all financial statement documents, the proposed appropriation of profit and the report on the audit of the company's risk management. In addition, the 2020 annual report of the Internal Audit department, including the audit plan for the current year and the 2020 annual activity report of the compliance officers, was presented and acknowledged. At the meeting held on 19 May, the statutory auditor presented the planning for the audit of the 2021 financial statements prepared by the companies in the UNIQA Group and coordinated this planning and strategy with the Committee. At the meeting held on 17 November, the statutory auditor informed the Committee about the findings from its preliminary audits. A public tender was launched for the audit of the financial statements for the 2023 financial year. The committee also looked at the company's accounting process on the basis of specific case studies. In addition, the Committee received quarterly reports from Internal Audit on the areas audited by this department and any material findings that arose from these audits, and the Compliance Officer reported on her activities on an ongoing basis.

- The **Investment Committee** held four meetings during which the members discussed the capital investment strategy, questions concerning capital structure and the focus of risk management and asset liability management.

- The **IT Committee** dealt with the ongoing monitoring of the progress of the project implementing the UNIQA Insurance Platform over the course of four meetings. In agreement with the full Supervisory Board, the Committee's scope of duties was expanded to include the auditing and monitoring of all IT projects due to the connection with the UNIQA Insurance Platform.

- The **Digital Transformation Committee** held four meetings dedicated to the digitalisation of core processes, the reduction of complexities in the product portfolio and the consolidation of digital working processes related to customers and employees.

- The **Working Committee** did not hold any meetings in the past financial year. A decision was taken by way of circular resolution to sell a property.

The various chairs of the committees then informed the members of the Supervisory Board in detail about the meetings and their committee's work.

3. Separate and consolidated financial statements

The separate financial statements prepared by the Management Board, the Management Report of UNIQA Insurance Group AG, the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRSs) and the Group Management Report for 2021 were audited by PwC Wirtschaftsprüfung GmbH. The statutory auditor also verified that a separate consolidated non-financial report and a consolidated corporate governance report had each been prepared for the 2021 financial year. The audit raised no objections. The separate and consolidated financial statements were each awarded an unqualified audit opinion for 2021.

The Supervisory Board acknowledged and approved the findings of the audit.

The evaluation of UNIQA's compliance with the rules of the Austrian Code of Corporate Governance in the 2021 financial year was carried out by PwC Wirtschaftsprüfung GmbH, whereas compliance with Rules 77 to 83 of the Austrian Code of Corporate Governance was assessed by Schönherr Rechtsanwälte GmbH. The assessments found that UNIQA had complied with the rules of the Austrian Code of Corporate Governance in the 2021 financial year – to the extent that they were included in UNIQA's declaration of conformity.

The Supervisory Board acknowledged the consolidated financial statements for 2021 and approved the 2021 annual financial statements of UNIQA Insurance Group AG. It also endorsed both the Management Report and the Group Management Report. The 2021 annual financial statements were thereby adopted in accordance with Section 96(4) of the Austrian Stock Corporation Act.

The Supervisory Board reviewed and approved the proposal for the appropriation of profit submitted by the Management Board. Accordingly, a dividend distribution of €0.55 per share will be proposed to the Annual General Meeting on 23 May 2022.

Once again this year on behalf of the entire Supervisory Board, I would like to thank all employees of UNIQA Insurance Group AG and its Group companies for their major personal commitment in the 2021 financial year and wish them every continued success.

Vienna, April 2022

On behalf of the Supervisory Board

Walter Rothensteiner
Chairman of the Supervisory Board

Performance
2021

Non-financial report

About this report

This report was prepared in accordance with the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) (Directive 2014/95/EU) and covers those sustainability concerns that also reflect our material sustainability issues.

The concepts described in this report correspond to the content of the 2021 Sustainability Report, which was prepared in accordance with the "Core option" of the Global Reporting Initiative (GRI) standards. The report will be published together with the Group Report on 8 April 2022. This non-financial report, which forms part of our 2021 Group Report, covers the 2021 financial year and, thus, the period running from 1 January 2021 to 31 December 2021. Where appropriate to do so, we compare our progress with the targets communicated the previous year and give an insight into our targets for next year.

Since UNIQA Insurance Group AG (headquartered in Vienna) does not directly operate the insurance business either domestically or abroad, measures to address environmental, social and employee concerns along with observing human rights, anti-corruption and bribery issues are conceived on a Group level and subsequently implemented in the operating Group companies. Accordingly, as regards the separate financial statements, no other modified or restricted concept is being pursued in any other way. The present report therefore constitutes the separate summarised non-financial report of UNIQA Insurance Group AG in accordance with Section 267a of the Austrian Commercial Code.

As has been the case in previous year, Pricewaterhouse-Coopers GmbH Wirtschaftsprüfungsgesellschaft has once again been commissioned to undertake the limited assurance audit in 2021. Further details on the audit outcomes can be found in the audit opinion for the non-financial reporting. References to sources outside of the Group Report are made exclusively to the 2021 Sustainability Report, which is also subject to a limited assurance audit.

Company description

The UNIQA Group is one of the leading insurance groups in its two core markets of Austria and Central and Eastern Europe (CEE). We offer our customers property and casualty insurance as well as life and health insurance products. As a financial services provider, our aim is to consider sustainability-related risks and take opportunities arising from ESG trends (ESG – Environment, Social, Governance). The following part illustrates our management approach. Further information on our business model can be found in the "Strategy" section of the Group Report.

Sustainability strategy and ESG integration

We engage carefully with those framework conditions that we consider conducive to ensuring a better life. To do this, we enter into dialogue with stakeholders, experts and the public, share our own approaches and play an active role. Sustainability is therefore a key part of how we act. Thanks to our clear position on this matter, we can encourage understanding and support from all our stakeholders, namely employees, customers, investors and the public.

Our sustainability strategy is set up in an holistic way. It ties our economic ambitions to a clear environmental and social commitment to protecting the environment and social responsibility.

Materiality concept

UNIQA's success is built on the fact that we understand how the world is changing and how we need to be able to respond to this. We therefore conducted a new materiality analysis in the summer of 2021, which we used to identify ESG topics that are perceived by our stakeholders and our business to be the most important. We also conducted a new stakeholder identification process, including the associated weighting. We defined four stakeholder groups in total who are directly affected by our business activities, namely customers, employees, investors and the public.

The materiality analysis forms the basis for our sustainability approach, sustainability strategy and our reporting. The four most important material topics from a stakeholder perspective in 2021 were cyberrisk, digital service and customer focus, advice and prevention for natural disasters as well as training and education of employees.

The four most important topics from UNIQA's perspective were employee health and safety, engagement for climate change, engagement for the environment as well as diversity and equal opportunity.

More in-depth information on the process and the results from the materiality analysis can be found in the 2021 Sustainability Report.

Sustainability strategy

Our sustainability strategy was approved in October 2020 and is based on five pillars:

- An investment policy aligned with ESG criteria
- A product policy that deals with the concept of ESG and, in doing so, creates additional benefits
- Exemplary own operational management
- Transparent reporting
- Recognition and joint pursuit of social targets in stakeholder management

Our fundamental objective in 2021 was to put this sustainability strategy into operation and embed it within the company by using milestone schedules. Our operational focus is on pillars 1 to 3, supported by transparent disclosure (pillar 4) and engagement of our stakeholders (pillar 5).

ESG integration within UNIQA

Our key body for sustainability agendas is the Group ESG Committee, which was formed in 2021. It consists of members of the Management Board of UNIQA Insurance Group AG and heads of key departments, meets on a quarterly basis and provides the Management Board with recommendations to help them make decisions on ESG topics. The Committee is responsible for integrating and enhancing ESG aspects in insurance, investment and asset management activities, along with the strategic definition and continuous development of ESG-related ambitions for the entire UNIQA Group. Its tasks also include drafting and introducing appropriate guidelines.

Other responsibilities include supervising the implementation of the Group-wide climate strategy and environmental management, as well as supporting implementation of the strategic measures and projects in the subsidiaries.

The Group ESG Office at UNIQA is part of the Sustainability, Ethics and Public Affairs division, which was newly created in early 2020. It is responsible for operationally managing the integration of environment, social and governance aspects (ESG) into the core business segments of the UNIQA Group. Proposals regarding ESG integration within the company are drawn up and discussed within ESG working groups, which bring together ESG specialists and/or representatives of various operational units and departments.

Sustainability risks

With a strong risk and sustainability culture, UNIQA has set the stage to ensure our business can be successful and profitable in the long term. In accordance with the latest amendment to the delegated act of the Solvency II Directive (2009/138/EC) in April 2021, sustainability risks must be taken into account in the risk management system. Our objective is to develop an appropriate and consistent approach to considering sustainability risks, apply this approach at all times and ensure it is updated regularly. With this in mind, we analyse climate-related risks and opportunities as part of our risk management (when conducting our internal assessment of the risk and financial situation). With regard to climate risks, the risks particularly relevant to UNIQA are those resulting from increasing weather extremes, which raise the loss ratio and also amplify default risks. The results from the sustainability risk identification and assessment process are intended to help support management decisions as part of UNIQA's product design or investment strategy.

Against this backdrop, in 2021 the Group Risk Management team conducted an impact and GAP analysis of current and future regulatory requirements, industry guidelines and market best practices. ESG was identified as a key focal point within the framework of the overall risk cycle (risk identification, risk assessment, limit setting, controlling and reporting), the design of climate risk scenarios and the integration of ESG into UNIQA's risk models. The development of ESG indicators within the investment and portfolio management process was also regarded as essential. Areas for improvement in conjunction with sustainability risks were identified, with a roadmap drawn up to safeguard their implementation.

In order to adequately deal with climate risks, we also set up the NatCAT Competence Centre (NCCC), which allows us to observe and monitor emerging social and environmental risks. The Group's risk exposure and changes to said exposure, accumulations and annual expected losses, as well as the reinsurance cover required to protect the Group from major natural disasters, are all assessed in the NCCC. In our assessment, we use the very latest modelling techniques based on stochastic models that cover hundreds of thousands of hail, storm, flood and earthquake events. These models have either been procured from external providers or developed internally by the NCCC R&D team. Their outcomes form the basis of our Group-wide risk management for natural disasters. These models are also used to calculate annual stress scenarios in order to test out the robustness of our underwriting and reinsurance coverage. The threat arising from the models can be visualised in maps that are fed into the Corporate Business Navigator (CBN), a risk review and assessment tool that is used by Group underwriters and risk engineers.

Sustainability risks are not currently dealt with as a separate risk category, but are instead taken into account within ten existing risk categories. During the course of the 2021 reporting year, no material reportable ESG risks were identified that were related to our business activities, commercial relationships, products or services, or that might have a severe negative impact on material non-financial concerns.

Environmental matters

This section describes the influence of environmental matters on our business activities along with the impacts of our business activities on the environment. It explains both the concepts and measures in place as well as specific targets and impacts.

The following topics in particular are of material importance in terms of environmental matters: engagement for climate change, engagement for European climate targets, advice on and prevention of natural disasters. We are tackling these challenges by supporting the transition to a low-carbon economy via our capital investments and our insurance products. It is also our aim to structure our own operational management in an exemplary fashion, taking into account our environmental and social targets.

UNIQA climate strategy

As an insurer, UNIQA remains exposed to the impact of climate change. The UNIQA climate strategy therefore forms part of our sustainability strategy. In order to counter the risks of climate change, we believe it is important to make protecting the environment part of our core business and structure our targets in line with the 1.5 degrees Celsius target set under the Paris Agreement. To do this, we are focused on three key areas, namely investment, underwriting and our own operational management. The concepts in relation to this are illustrated below.

Environmental matters in investment

UNIQA is committed to implementing responsible and sustainable management of capital investments. We believe that a sustainable investment strategy can bring about financial success in the long term and is a positive addition to the traditional investment objectives of returns, security and liquidity.

- Assessing environmental and social impacts on our investments on an ongoing basis
- Assessing the impact that companies and countries in which we have invested have on the environment and living conditions for communities
- Establishing new ESG databases in order to ensure continuous integration of the latest assessments into our investment decision
- Integrating indirect carbon emissions from our investments into our management process

- Introducing a 1.5 degrees Celsius climate target trajectory, based on scientific data, to reduce carbon emissions in line with the Paris Agreement

By voluntarily signing up to the UN Principles for Responsible Investment (PRIs) and collaborating with all of its signatories, we are taking crucial steps to achieve this ambitious long-term target. At the same time, the PRIs also provide the framework for our Group-wide UNIQA Responsible Investments Guideline. This guideline governs our capital investment management, including binding exclusion criteria. The guideline was revised and updated in 2021.

We also acceded to the Net-Zero Asset Owner Alliance in 2021, whose principles represent an additional framework for our investment strategy and our reporting guidelines. It is on this basis that we are now drafting a climate trajectory in order to bring our investment closer to the climate target of 1.5 degrees Celsius set under the Paris Agreement and to achieve the goal of climate neutrality by 2040 for Austria, and 2050 for our international subsidiaries. A joint commitment by businesses and legislators to implement the required measures as well as strong coordination with the other members will help contribute to this.

In 2021, we also concluded a contract with ISS (Institutional Shareholder Services) in order to be able to better examine our investment portfolio with regard to ESG criteria. Assessments are undertaken for individual issuers (companies or countries) rather than specific asset classes. This means we can now also analyse individual aspects of ESG risks as well as climate data and climate risks for listed assets.

We continue to regard thermal coal as a red line criterion in our investment. We had already sold all of our investments in coal-based companies by the end of 2019. However, the integration of the former AXA companies in Poland, the Czech Republic and Slovakia has once again introduced to our portfolio a number of individual investments in companies with coal exposure. We are nevertheless determined to reduce these positions as soon as possible as part of our decarbonisation strategy.

During the period under review, we have been working intensively on dealing with the entry into force of the new EU Sustainable Finance Disclosure Regulation (SFDR) in March 2021 and its classification and reporting requirements. An initial report on the two environmental aspects covered under EU Taxonomy classification is published in the section entitled “Disclosures according to the EU Taxonomy Regulation”.

We have also switched our four managed unit-linked UNIQA Portfolio I to IV funds of funds to Article 8 products as of 1 January 2022 and restructured the investment process.

Targets and target achievement: Investments

Topic	Target achievement in 2021	Targets for 2022
ESG integration in our investment portfolio	Whilst our ESG targets are defined for the average of all of our financial investments, we need to analyse the ESG data for each individual asset in order to improve the level of quality based on the individual assets. We have already started work on this in 2021.	In the years to come, we will get to work on developing a suitable climate target trajectory in line with the 1.5 degrees Celsius target set under the Paris Agreement. We aim to achieve climate neutrality by 2040 in Austria, and by 2050 in our other international subsidiaries. Our memberships will help us and pave the way to achieve this.
Sustainable investments	The overriding target for 2025 was to build up a volume of €1 billion worth of sustainable investments (green and sustainable bonds, infrastructure loans that will have a positive impact on implementing SDGs and ESG equity funds). We have already managed to achieve this target in 2021. The issue of an additional green bond totalling €375 million in volume back in December 2021 will help to support the further development of our sustainable investments in the years to come.	Further expansion of volume of green assets and implementation of the revised Responsible Investment@UNIQA guideline.

Environmental matters in underwriting in the Retail segment

As Austria's largest health insurer, we bear equal responsibility for protecting the personal living standards of our customers and the value added processes of our company. Risk prevention and mitigation are key areas in which environmental and social impacts increasingly need to be incorporated into the advising approach. Sustainability aspects are therefore being taken into account in the underwriting process as well as products and services within our insurance business.

In addition to our existing portfolio, we are also focused on providing more environmentally friendly investment opportunities, including in particular more sustainable products (unit-linked insurance products) and even pure "green" products. A key basis for this sustainable optimisation is the switch from UNIQA Portfolio I to IV to products under Article 8 of the EU Taxonomy Regulation, with effect from 1 January 2022. Investments can only be made in sub-funds in accordance with Article 8 and 9 (investment funds and ETFs). Article 8 funds consider environmental as well as social characteristics and invest in companies that demonstrate good corporate governance. Article 9 funds also aim to achieve a sustainable investment objective and help implement the United Nations' Sustainable Development Goals.

One of our other targets is to gradually expand our range of insurance products that satisfy environmental and climate-related criteria so as to promote a sustainable lifestyle and sustainable corporate governance on a broad basis. To do this, in 2021 we collected data on our customer segments and their sustainability profiles by way of market surveys and incorporated the results into the planning for product development. We also rely on improving the quality of advice on resource efficiency and reducing emissions as well as sustainable additional insurance modules. With our repair insurance, which can be taken out as a supplementary product module as part of our homeowner insurance policy, we provide cover for our customers for the repair costs of household and domestic appliances at their current value, for example. With regard to our motor vehicle liability insurance, we also offer a 25 per cent reduction on the premium when you insure an electric car.

Targets and target achievement: Environmental matters in underwriting in the Retail segment

Topic	Target achievement in 2021	Targets for 2022
Sustainability profiles	Completion of preparatory measures to determine sustainability profiles and integration of results into the product planning process.	Continuation of market insights into environmental matters and ongoing integration into new products

Environmental matters in underwriting in the Corporate and Affinity segment

We also want to offer our corporate customers tailor-made products and services with added value in terms of sustainability. The drafting of a long-term strategy to implement measures to combat climate change was the top priority here in 2021. Examples of this include advice on and services regarding natural disasters, restoration work following a loss (post-loss consultancy) or preventive measures to combat business interruptions caused by natural disasters.

Since 2019, we have not completed any new customer business with companies with a direct or indirect carbon share of more than 30 per cent. In addition, we have not completed any new customer business with mining companies that produce more than 20 million tonnes of coal a year. Subject to certain conditions in place, UNIQA is on hand to provide positive accompanying support to existing customers from the coal industry in helping them to transform their business models by 2025 at the very least. This also applies to companies that generate electricity from different sources, including in particular renewable energy from solar and wind farms, but also generate electricity from thermal plants. However, this action requires the development and implementation of a credible transformation plan and alignment with defined sustainability criteria. The insurance policies for existing customers who fail to provide evidence of their decarbonisation process as requested will not be extended from 2026 onwards. Another focal point of our decarbonisation strategy is providing suitable solutions in the field of renewable energy, both for new as well as existing customers.

In order to consistently pursue our ambitions to this effect, we voluntarily agreed to ensure compliance with the Principles for Sustainable Insurance (PSIs) at the end of 2020. These principles were developed by the United Nations' Environment Programme Finance Initiative

(UNEP FI). By signing up to these principles, we undertake to consider ESG aspects (Environment, Social, Governance) along the entire value added chain. In other words, we undertake to involve all of our stakeholders in issues surrounding the environment, social responsibility and corporate governance.

Targets and target achievement: Environmental matters in underwriting in the Corporate and Affinity segment

Topic	Target achievement in 2021	Targets for 2022
Decarbonisation	In 2021, we started work on undertaking annual assessments and monitoring the existing coal-related portfolio. All of our customers have already been classified according to specific sustainability criteria since 2020.	Continuation of assessments and monitoring and transition to a standardised annual process where our underwriters and risk engineers monitor the development of the required sustainability plans for each customer on an annual basis.

Environmental matters in operational management

UNIQA is committed to having exemplary operational management in place. This commitment is a key focal point in our sustainability strategy.

Our overriding objective is to continue reducing our environmental footprint and be CO_2 neutral by 2040 in Austria, and by 2050 in our other international subsidiaries. We therefore ensure international certifications and standards are applied, both with regard to our suppliers as well as within our own operational management. We rely on improving energy efficiency, using more renewable energy, reducing CO_2 emissions, systematically conserving resources and promoting environmentally friendly mobility. Here in Austria, we have also had an energy monitoring system in place since 2018. This system allows us to be able to illustrate our sustainability initiatives and the progress achieved as a result transparently and on a comparative basis. In order to support the existing energy monitoring system and intensify efforts around it, a target was set in early 2022 to introduce an environmental management system certified to EMAS standards by no later than 2025.

Environmental matters in our operational management fall within the remit of the Chief Operating Officer and are the responsibility of the Group Procurement department. The initial focus here is on our largest core market in Austria.

We pursue specific CO_2 reduction targets in the following five areas in particular:

- Installation of photovoltaic systems
- Greening of heating/cooling systems
- Optimisation of energy monitoring
- Conversion to LEDs throughout the company
- Greening of the vehicle fleet

Targets and target achievement: Environmental matters in operational management

Topic	Target achievement in 2021	Targets for 2022
Installation of photovoltaic systems	We launched our "Photovoltaic Offensive" project in mid-2020, with the aim of building photovoltaic systems at approximately 20 sales locations by the end of 2022. Twelve photovoltaic systems with generation capacities of between 4 and 36 kWp were already in operation in 2021. The total installed output is approximately 184 kWp. As a result, approximately 190,000 kWh of green energy can be produced each year.	Continuation of the "Photovoltaic Offensive" project and construction of an additional seven systems with an approximate total output of up to 80 kWp.
Greening of the vehicle fleet	The ambitious objective of UNIQA's vehicle fleet management is to reduce the carbon emissions from the fleet of company cars in Austria to 40 g per kilometre by the end of 2024. We have already managed to reduce our carbon emissions to around 87 g per kilometre by the end of 2021.	In terms of our overall target to reduce CO_2, we are continuing to equip our sites with charging infrastructure for e-mobility. Plans are in place for 2022 to install e-charging stations with total output of approximately 530 kW at an additional 13 sites.

Social matters

In this section, we will look at how society-related and social issues affect our business activities and relationships, and vice versa. We will in particular explain the concepts we have in place to deal with social activities and sponsorships, customer focus and innovative services and products as well as data protection. According to our understanding, employee matters are social matters, which is why we have also included them as a subsection and describe our concepts in this regard.

Social activities and sponsoring

As Austria's largest health insurer, we focus our social engagement on health and education. Our UNIQA 3.0 corporate strategy also describes our view of the world. We use this to work out the key social risks and requirements for how we conduct ourselves. One of our primary focal points is on supporting young or disadvantaged people. UNIQA also places all kinds of emphasis on supporting general interest initiatives. Promoting the arts and sports are important focal points here in all of our markets. This ranges from long-term sponsorship to support for individual projects with which we can identify based on our corporate values.

Our accession to the Initiative for Transparent Cooperation (Initiative für transparente Zusammenarbeit) demonstrates we are committed to open dealings with NGOs, associations and sponsorships. By implementing the Code for Transparent Cooperation (Kodex für transparente Zusammenarbeit) as drawn up by the Initiative, our aim is to provide the public with a clear insight into which NGOs we are cooperating with, explain in what way and for what purpose we are involved, and engage in discourse as to how our stakeholders assess our commitment to this.

We revised our approach to social matters in 2021. The strategy and implementing guidelines were revised to ensure our sponsorships are ESG-compliant. We undertook this in accordance with the DNSH principle (Do No Significant Harm), whereby any sponsorship in place must fulfil at least one of the ESG criteria. Furthermore, our partners must be able to provide credible evidence of sustainable action or even present their sustainability concept for sponsorship amounts in excess of a certain figure.

By working in close collaboration with UNIQA Privatstiftung, approximately €1.1 million of funds were made available for social projects in 2021. These funds were invested in projects that are closely linked to our health business segment or enhance the continuity of an existing relationship with UNIQA.

Since autumn 2021, there has been a new collaboration in place with Special Olympics Österreich (SOÖ), an organisation that arranges training and sporting events and support for individuals with intellectual disabilities. Thanks to our collaboration with this not-for-profit organisation, UNIQA is on hand to provide support for events and competitions, such as the 2022 Special Olympics Summer Games. Our employees will also have the opportunity to use up their UNIQA volunteer day during the Summer Games and offer their services as corporate volunteers.

Further information on our initiatives can be found in the 2021 Sustainability Report under Section 3 "Sustainability in our UNIQA community".

Targets and target achievement: Social matters

Topic	Target achievement in 2021	Targets for 2022
Sporting and cultural sponsorship strategy	In 2021, we revised our sponsorship strategy as a key part of our brand strategy to ensure it is ESG-compliant, so that sporting and cultural sponsorships can now be aligned with this revised strategy.	This strategy continues to be implemented.
Corporate volunteering activities	During the 2021 financial year, UNIQA got involved in social causes by way of donations, corporate volunteering (UNIQA volunteer day) or collaboration and initiatives with UNIQA Privatstiftung.	In keeping with our strategy and our implementing guidelines, we will also continue to put measures and initiatives in place and make our contribution to general social matters in 2022.

Customer focus and innovative services and products

An insurance company must provide security; our customers expect safeguards appropriate to their life situations, and we can support them in preventing damage and loss as well as with easy customer-friendly communication and rapid processing when there is a claim. In our supporting role, we always think and conduct ourselves from a customer perspective.

According to our internal sales guideline, clarity and transparency play a key role in ensuring customer satisfaction. We are constantly working to ensure our product information sheets are concise and easy to comprehend, and at the same time fulfil the statutory requirements. Training helps our employees to communicate not only technically correctly but also in a customer-friendly and understandable manner.

With our Customer Centricity Index (CCI), we have provided a structured way to make our customers' voices heard at existing and new customer touchpoints. We therefore have a proven method we can use to align our mission-critical product, sales, claim/benefit and service efforts even more with our customers' needs. We learn from daily feedback and around 120,000 actively collected customer assessments each year and, on this basis, continually improve our processes, services and touchpoints throughout the so-called customer journey. Our digital customer advice measures ensure we are close to our customers without our advisors needing to be physically present. As a result, we are not only increasing efficiency and helping our customers and employees save time, but also reducing emissions as well.

We also use customer complaints as an important feedback tool. Our complaint management is made up of two processes. First of all, we deal with the customer's concerns properly. Then we attempt to identify and implement potential positive effects from a customer complaint in a consistent way so as to ensure the customer's experience is a positive one.

Developing sustainable products and services combined with social responsibility is very important to us. As part of our homeowner insurance policy, we offer premium-free cover for up to six months in the event of unemployment.

We have also made some important developments over the course of the Covid-19 pandemic. As an example, telemedical services have been included under the new private medical insurance cover since June 2021. This will be expanded further in future too. This service helps minimise face-to-face contact, particularly in times of a pandemic, without compromising on health care provision. Following the development of the post-COVID-check in 2021, we now offer our customers and employees suffering from the after-effects of Covid-19 the opportunity to get examined medically and be given some reassurance over their own health. Our offering was also extended to include post-COVID-eCoaching, which we offer working in collaboration with our partner enlivio. The aim here is to support customers after they have had Covid-19 with some moderate training activity and give them the motivation to get fit.

Targets and target achievement: Customer focus and innovative services and products

Topic	Target achievement in 2021	Targets for 2022
Product development	Our long-term strategic goal is to be reliable partners for our customers as "inspiring coaches" to improve their lives. We fulfil our social responsibility, not only by expanding our telemedical services but also by developing the post-COVID-check.	We continue to focus our efforts on developing products and services with sustainable social benefits for our customers. We are also focused on expanding our digital services.

Data protection

Our professional and personal daily lives are hard to imagine without the constant exchange of data. Data protection has become a fundamental right. In specific terms, it involves protecting personal data and individuals these data relate to from misuse during the collection, processing and use of these data. This is governed by the General Data Protection Regulation (GDPR) and national laws in force in Europe. In order to ensure compliance with the stringent data protection requirements in place, UNIQA has established its own data protection organisation (Data Protection Governance) within the company. Its aim is to ensure the protection of personal data by implementing an efficient data protection management system (DPMS) and to safeguard a continuous improvement process based on a risk management system.

The Data Protection Officer reports directly to the Management Board, working as the second line of defence to monitor compliance with data protection provisions in the company and the first line of defence. The Data Protection Officer does not take any instructions in this role. Meetings between the local Data Protection committees are held on a quarterly basis.

A Data Protection Coordinator is appointed in each department. These individuals act as the first point of contact for any data protection matters within the department and support the data owners in advising on projects and responding to specific questions, for example. In order to provide more efficient support to the first line of defence as well as for project consulting purposes, the Data Protection Operations department was added alongside the existing Data Protection Legal department in 2021. Both units advise on data protection issues and the technical and organisational issues required for this purpose. Furthermore, they provide support with regard to updating the record of processing activities and handling data breaches. They also act as an interface for internal and external customers in relation to queries that require inter-disciplinary data protection expertise (i.e. data protection and data security).

Targets and target achievement: Data protection

Topic	Target achievement in 2021	Targets for 2022
Implementation of Data Protection Governance	Data protection is an inter-disciplinary issue and requires cross-subject expertise and appropriate interfaces to provide advice. A data protection organisation (Data Protection Governance) was therefore established within the company and extended in 2021 to include the Data Protection Operations department. Our objective in 2021 was to commence the gradual implementation of the new governance system for data protection at UNIQA.	We continued to implement the new governance system for data protection in 2021 and have now completed this work.
Expansion of data protection management system	In order to be able to fulfil the accountability obligations arising from GDPR and the associated documentation requirements, there is a continuous need for processes to implement data protection measures in the company.	The target set for 2022 is to ensure the protection of personal data by implementing an efficient data protection management system (DPMS) and to safeguard a continuous improvement process based on a risk management system.

Employee matters

This section describes the impacts of our employees on our business activities and relationships, along with the impacts of UNIQA's business activities and relationships on our employees. The focus here is on our "People and culture" strategy as well as the associated concepts and measures.

We have also put measures in place for our employees with the new UNIQA 3.0 strategic programme. Our overriding objective is to become the most attractive employer in the industry by 2024. In specific terms, we want to achieve a minimum of 4.5 stars on a scale of 1 to 5. In order to fulfil this target, a wide range of measures were drawn up in 2021. These measures will be implemented in 2022 and the coming years. We also want to use these measures as the basis for establishing standards for HR management in our international subsidiaries as well. In doing so, this should ensure Group-wide standards in key HR processes across all country organisations, which will help contribute towards an excellent employee experience.

Five key action items have been defined in particular for this purpose, namely Employee Experience, Employee

Engagement, Learning and Leadership, Digital Skills and Future of Work. The following action items specifically form part of these Group-wide standards: uniform recruitment process, uniform onboarding process, uniform assessment and feedback process for managers, Inspiring Coach Compass, Group-wide performance management, digitised HR services.

In 2021, we paid particular attention, on the one hand, to supporting cost savings that were in progress in Austria, and on the other, to projects intended to make UNIQA the most attractive employer in our market by 2024. Once again in 2021, our primary focus was on protecting our employees during the course of the Covid-19 pandemic, minimising health risks and ensuring flexible working conditions were in place. As Austria's largest health insurer, we have been clear advocates of getting vaccinated and actively encourage our employees to do so.

Socially responsible job cuts in Austria

In order to deal with the major challenges, the insurance industry currently faces and be able to offer our customers competitive services in future too, we have set up a new, customer-centric organisational structure here in Austria. The aim was to reduce the complexity of the structures and processes in place as well as reduce absolute costs and the cost ratio. The associated organisational changes resulted in the loss of numerous jobs. In order to ensure these job cuts were as socially acceptable as possible, we agreed a social plan with the Works Council. We have worked incredibly hard to ensure the termination of employment contracts with employees, some of whom are long-serving, is conducted with due care. Alongside one-off payments and a hardship fund, we have also offered longer-term retirement models as well as an employment foundation and outplacements. All terminations were completed subject to mutual consent; thanks to the attractive nature of the provision arising from the social plan, we managed to achieve an acceptance rate of 90 per cent. A total of 371 jobs in Austria were cut as a result of this, of which 279 were back office jobs and 92 were sales force jobs.

New hybrid world of work at UNIQA

In order to make the changes required as a result of the Covid-19 pandemic as acceptable as possible for both our customers and employees, we have established a new standard for geographically flexible working in Austria by making working from home easier. A works agreement in place creates uniform framework conditions; employees can choose from three working models involving more or less working from home and create an overall package to suit them, whether working in the office, working from home or mobile working. By doing so, we want to make a conscious effort towards greater self-determination, trust and flexibility. The working culture at UNIQA is also being redefined together with our employees.

Health and satisfaction

The UNIQA employee survey in Austria was conducted once again in 2021. The participation rate was 72.4 per cent. The questions asked covered topics such as the situation at work, work processes, management structure, alignment with targets, professional development, company image and overall satisfaction. The overall satisfaction rate was 76 out of 100 possible points. The newly introduced Integration Index showed that the feeling of belonging and being one's own self at UNIQA is very strong among most respondents. However, when compared to the last employee survey in 2019, the results this time indicate a declining rating.

Our UNIQA Works Council plays a key role in the health and satisfaction of our employees. Its work covers the four "Social", Economic", "Health" and "Cultural" areas. All activities in these areas have a profound impact on the satisfaction of our employees and, as a result, on UNIQA's success. In addition to medical check-ups, vaccinations and special vital events related to fitness and work-life balance, our joint service provision also includes support to ensure better mental health. Given that social contact is extremely important at a time when restrictions are in force, works trips and other organised meetings play a key role in strengthening our UNIQA community and promoting unity among our colleagues. The UNIQA Works Council also plays a key role in compiling new benefits or improving existing benefits, such as participation in the company's success, the pension fund system, Group health insurance or the "living better together" programme.

The UNIQA volunteer day was introduced in 2013. It is a voluntarily granted day off work where the focus is on social engagement for the benefit of disadvantaged people. By November 2021, around 900 days have been utilised as volunteer days. Using the average daily working time of eight hours as the basis, this equates to 7,168 hours of voluntary work.

Training and education

Learning while working is part of everyday life at UNIQA. All of our back office and sales force employees in Austria have had access to our online platform for this purpose for many years. The digitalisation of our education provision has become a pivotal part of our training, particularly during the pandemic, and allows people to expand their knowledge digitally at their own pace. This provision not only includes familiar e-learning courses but also specific webinars too. Many formats, including our Lunch and Learn learning format, were converted in their entirety to webinar format, owing to the extra flexibility involved and excellent feedback we obtained. We have therefore given all employees in Austria the opportunity to participate, while the record function allows you to check out webinars at a later point in time. In 2021, we hosted a total of seven online Lunch and Learn events involving around 1,000 employees, as well as 1,423 webinars and 325 in-person training sessions.

Since February 2021, all employees have also had access to GoodHabitz training sessions via the training platform. These sessions include, for example, training on personal development, language, management and teamwork or on productivity. The training sessions can be held online, in hybrid form or face-to-face as they take place in three sections, starting with the kick-off, then a self-learning phase, and finally the wrap-up. The required number of licences will be expanded from 1,000 to 5,000 in 2022 to enable our sales force employees throughout Austria to make use of these training sessions in future too.

Leadership and management

The Covid-19 pandemic and the accompanying digitalisation of the world of work have also accelerated the demands placed on our managers. What this involves in particular is coming up with new ways of communicating and working that are fit for the future and efficient. Our leadership development programme entitled #leader_ship aims to build our managers' skills in leading and managing employees. The focus is on the personal and future-driven development of managers themselves and of employees too. Our goal is to help them identify their own areas for development and work toward continual improvement in these areas. The aim is to enable managers to take key roles in our organisation and to encourage them to hold development-oriented discussions with employees. It also aims to improve their leadership skills in working with diverse teams and the various ways of working and lifestyles inherent in these teams. We have also introduced the Inspiring Coach Compass, a new tool that contributes to providing feedback to and developing top managers.

2021 also saw the creation of a new management mission statement, which is based on the guiding principles defined in the UNIQA 3.0 corporate strategy. It is used as a guide, provides inspiration and acts as a signpost to create a culture of inspiring coaches, strengthen collaboration, motivate employees to take personal responsibility and increase efficiency.

Cultural transformation

We also want to actively reshape our corporate culture as the basis for implementing the UNIQA 3.0 strategic programme. By doing so, we will create the cultural framework within which we can achieve our ambitious targets as inspiring coaches. We have started a Group-wide cultural transformation programme for this purpose and set up a culture office as a centre of competence. A Group-wide survey was carried out in the first two quarters of 2021 in order to survey the status quo as regards the corporate culture. Using this as the basis, we then defined a target culture that is based on three dimensions and linked to our guiding principles. We trialled best practices in cultural change in the final two quarters of 2021 and successfully implemented a number of pilot projects. The Group-wide roll-out of these projects is scheduled to take place this year.

Targets and target achievement: Employee matters

Topic	Target achievement in 2021	Targets for 2022
Most attractive employer in the industry	As part of our UNIQA 3.0 strategy, we have set ourselves the long-term goal of becoming the best employer in the industry by 2024. In order to fulfil this target, a wide range of measures were drawn up based on five action items: Employee Experience, Employee Engagement, Learning and Leadership, Digital Skills and Future of Work	Continuation and implementation of measures defined in 2021, including, for example, the introduction of uniform standards for HR management in all countries, which will help contribute towards an excellent employee experience throughout the entire Group.

Diversity and inclusion

We believe there is strength in diversity and have no time for intolerance or exclusion. Diversity in action transforms UNIQA into a place where people can grow, develop and enjoy meaningful engagement. Everyone working for us can find just the right place to develop their full potential to the benefit of our customers, colleagues and the company. living better together – we believe this can in reality only be fulfilled if every single gender, nationality, majority or minority is treated equally at UNIQA and can benefit from the same opportunities.

We have already brought about significant impetus on the subject of diversity in 2020, including by nominating a Diversity Officer and getting started on a project that will embed and promote diversity from a structural and organisational perspective. The Diversity and Inclusion Committee was then introduced in 2021. Under the patronage of two members of the Management Board, the Committee's aim is to strengthen the embedding of diversity and inclusion in all of the company's departments and processes and ensure this is consistent with the corporate strategy. Existing elements, such as the guiding principles and targets for diversity and inclusion will be combined into a separate diversity and inclusion strategy in 2022. This will form the basis and the framework for all of our activities undertaken in this area.

We also acceded to the Diversity Charter of the Austrian Federal Economic Chamber (Charta der Vielfalt der Wirtschaftskammer Österreich) in 2021.

We used an indepth actual analysis in 2021 as the basis for identifying the status quo of our existing activities and initiatives in order to come up with approaches for additional effective measures. This has already been successfully implemented as part of the indexing for the Women's Career Index (FKI). Recruitment guidelines were compiled as one of the most important outcomes. The aim of these guidelines is to promote diversity within all of our teams and at all management levels, ensure equal opportunity for all employees and safeguard an objective and transparent selection process for managers. We also started up the UNIQA mentoring programme, which aims to support talented employees in their personal and professional development.

Furthermore, we also conducted an equal pay analysis in 2021, the framework of which allowed us to collect and analyse data on equal pay between men and women. In order to rectify bias in salary decisions, best practices are also applied in a consistent manner.

Details of further measures and initiatives can be found in our 2021 Sustainability Report.

Targets and target achievement: Diversity and inclusion

Topic	Target achievement in 2021	Targets for 2022
Diversity and inclusion strategy	One of the most important targets in 2021 was to carry out an site assessment as well as an actual analysis of a number of existing initiatives in place. They were used as the basis for initiating further measures for improvement (e.g. recruitment guidelines and the equal pay analysis).	Our aim in 2022 is to complete and implement the diversity and inclusion strategy throughout the entire Group, as well as draft and approve a Group-wide diversity and inclusion policy. There are also plans in place to introduce a standardised process to handle allegations of discrimination.

How we have dealt with Covid-19

The Covid-19 pandemic took hold within our company once again in 2021 and continued to significantly impact everyday life here. Our crisis team, a multi-disciplinary task force made up of experts from various departments, continued to monitor infection rates in the same way as they did in 2020, instigating suitable measures depending on the situation at hand. These measures include, for example, the drafting of guidelines for mobile working, stringent hygiene and safety precautionary measures, social distancing rules, restrictions on business travel, etc. These measures were updated on an ongoing basis, with employees informed of any updates every week.

Given the significant increasing in working from home, UNIQA also took measures to safeguard an appropriate level of data protection for employees. As an example, all employees working from home did so using secure VPN connections. We also adapted our training and awareness-raising measures looking at common types of cyberattacks and launched an awareness campaign on phishing in order to increase its awareness in everyday professional and personal situations. Given the risk situation and infection rates at that time, we were able to temporarily bring back employees to our UNIQA sites in Austria in summer 2021. We did this subject to stringent conditions and guidelines, such as hygiene measures and restrictions for meetings. These measures were linked directly to national and regional infection rates and other criteria. The situation was also monitored constantly by the crisis team and reported to the Management Board on a regular basis.

As part of our responsibility towards our employees, we actively recommend they get vaccinated against Covid-19 and signed up as a member of the Austrian Federal Economic Chamber's "My Team. Our Vaccination" (Mein Team. Unsere Impfung) campaign. We are also committed to getting vaccinated in our online activity, getting involved in the #ZusammenGegenCorona campaign.

The global pandemic has massively shifted focus towards the importance of personal health and mental well-being. With the #mentalhealthmatters campaign, we have actively taken a stance and have introduced numerous measures to support our employees in these times of crisis. Our existing KEEP BALANCE offering was replaced by consentiv, a subsidiary of our health start-up SanusX. These services allow you to make use of phone, face-to-face or online consultation on all kinds of professional and personal issues.

Human rights

The proper and respectful treatment of people is a key part of the fabric of our company and therefore at the core of our corporate culture. In this sense, setting an example with upholding human rights is one of our deeply held beliefs. Respect for human dignity is a fundamental benchmark for us, particularly when it comes to employees. We commit to not discriminating against anyone based on ethnic background, skin colour, religion, gender, sexual orientation or other characteristics. Building on this commitment we set internal standards in our Code of Conduct for ethical conduct that go beyond those of the applicable laws. We are constantly working towards integrating human rights issues more strongly into our processes so that we can reliably fulfil new requirements.

By acceding to the UN Global Compact in November 2020, we are committed to observing the United Nations' Universal Declaration of Human Rights throughout the entire UNIQA Group. The ten principles featured in the Global Compact have been incorporated into our UNIQA Code of Conduct. We report on our progress in this regard once a year.

During the 2021 financial year, we worked together with other members of the Raiffeisen Sustainability Initiative (RSI) to start drafting a template for a human rights policy. The aim here is to be able to address human rights implications more precisely in a business model and in upstream and downstream service relationships. Once this project has finished, our intention is to implement its findings within our Group.

Targets and target achievement: Human rights

Topic	Target achievement in 2021	Targets for 2022
Integration of human rights	By acceding to the UN Global Compact alongside our collaboration with other members of the Raiffeisen Sustainability Initiative (RSI), we have laid the foundations for integrating human rights into our corporate processes.	We will continue integrating human rights guidelines into all of the relevant business lines and core processes.

Compliance and combatting corruption and bribery

We believe compliance with all relevant statutory regulations, internal company guidelines and ethical principles is essential as a company that acts responsibly. The insurance business requires a high degree of trust; lawful and ethical action therefore not only has a decisive impact on the reputation of the entire UNIQA Group, it is also a fundamental requirement for our long-term success.

The topics of compliance and combatting corruption at a Group level are covered by the Group Legal and Compliance department, which reports directly to the CFO. This department is responsible for establishing the basis for a uniform approach across the entire Group, and is also supported by a separate local Compliance function in each UNIQA Group insurance company. The Group Compliance function's other management duties include reviewing compliance with internal and external requirements. In 2021, we introduced the "Check of Focus Areas" tool to replace the default company visits. This ensured checks were conducted on each UNIQA Group insurance group as regards their observance of selected requirements regarding general compliance, prevention of money laundering and FATCA. The results were then reported to the respective local member of the Management Board in the form of a written report.

A key tool for managing compliance at UNIQA is the annual compliance conference, which serves as a platform for distributing new information and exchanging experiences within the Group.

The UNIQA Group Code of Conduct was extensively revised in 2020, with the new version rolled out and communicated in 2021. The Code of Conduct provides clear guidance on the most important compliance topics. It reflects the UNIQA 3.0 strategy in the same way as our guiding principles and our corporate culture. The principles and regulations laid down in the Code of Conduct apply to all areas of our daily work and are equally mandatory for our Management Board, Supervisory Board and all employees. There are special regulations in place for specific compliance topics, such as prevention of money laundering, implementation of the Foreign Account Tax Compliance Act FATCA, Common Reporting Standard and Solvency II. They are dealt with in the form of specific policies, standards and manuals along with concrete instructions on selected individual topics. The following topics have been newly regulated and/or supplemented by way of the new version: Donations and other gifts to and from political parties, organisations closely affiliated with political parties and parties campaigning in elections are no longer permitted. An exception to this rule is the sponsorship of events organised by political parties or organisations they are closely affiliated with in which no party-related political content is discussed and that are accessible to the public.

The Governance, Risk and Compliance (GRC) tool was rolled out in all Group insurance companies in 2021. An interdisciplinary project to develop a tool with several modules (compliance, data protection, risk management and IT security) that aims to reinforce an integrated approach to documenting risks was completed here. Compliance risks and risk-minimising measures are recorded and administered as a whole in the compliance module, thus creating the basis for uniform reporting. Local compliance officers, anti-money laundering officers and FATCA-responsible officers have already reported to the Group functions and to the local Management Boards and Supervisory Boards in 2021 using the data recorded in the GRC tool as the basis.

The e-learning module on the topic of compliance was revised in 2021 and approved for mandatory participation for all back office and sales force employees in Austria at the end of the year. This module focuses on gifts, whistleblowing and conflicts of interest. Participants can also practice answering various questions at the end of the module. Other e-learning modules on the prevention of money laundering have since been made available.

In 2021, we evaluated the existing continuous areas of confidentiality and updated them in line with the structural, organisational and personnel-related changes made. In order to take the changing working conditions into account, we launched regular virtual training sessions on the subject of issuer compliance for our new employees. Two to three dates each quarter are set aside and offered for this purpose. In addition, we have made use of a specific format to train our managers on the most important topics and developments in issuer compliance. The Compliance Officer reported to the Group Management Board on a regular basis on the most important issuer compliance matters and also produced an extensive Group report. Moreover, regular discussions were held on current issues with the Management Board member responsible for this topic.

Targets and target achievement: Compliance and combatting corruption and bribery

Topic	Target achievement in 2021	Targets for 2022
Compliance management system	The existing compliance management system was expanded to include newly acquired insurance companies and existing non-insurance companies of significant importance to the UNIQA Group.	Compliance risks are recorded in a structured way in the newly launched tool, making monitoring significantly easier.
Anti-corruption measures	The project to launch a Group-wide system to recognise sanctioned and politically exposed persons was successfully completed.	The Compliance function at UNIQA Austria is continuing the initiative to enhance awareness of compliance and anti-corruption measures among sales employees.

Disclosures according to the EU Taxonomy Regulation

In order to achieve the targets set under the European Green Deal and the EU's 2030 Climate Target Plan, the EU Action Plan on Financing Sustainable Growth calls for the creation of a standardised classification system for environmentally sustainable economic activities in the form of the EU Taxonomy. The Taxonomy Regulation, which lays down the framework for the EU Taxonomy, was published in the Official Journal of the European Union in June 2020 and entered into force on 12 July 2020. The Taxonomy Regulation states that financial market participants offering relevant financial products in the EU are obliged to disclose their share of Taxonomy-aligned activities.

At the time this report was prepared, there is no uniform data basis for applying the Delegated Regulations, and there are different interpretations as to how they are applied. Our quantitative and qualitative disclosures are therefore determined in line with a "best effort approach" and take into account what we currently know. Our over-all strategy involves pursuing the climate targets set under the Paris Agreement. Our aim therefore is to record both the indirect emissions of the assets in our investment as well as the indirect emissions of the insured risks through our management approach and engagement, as well as reduce these emissions going forward according to interim targets yet to be laid down. We are working on the assumption that this will also increase the share of Taxonomy-aligned activities in future.

With regard to investment, UNIQA conducted some initial research in autumn 2020 with respect to the corresponding conversion of databases. Given that no information in accordance with Article 8 of the Taxonomy Regulation had been disclosed by the reporting company during the financial year, UNIQA was forced to revert to alternative data sources from specialised data providers for the initial estimation of the data owing to the lack of specific company information available. A detailed analysis and comparison of ESG data providers showed that the sustainability data of ISS ESG corresponded to a fundamental approach, even if these data were mostly based on derived information and estimates. Both quantitative as well as qualitative information is available in great detail, thus ensuring a comprehensive ESG assessment of our activities can be carried out. In order to provide technical support to ensuring compliance with the Regulation, ISS ESG has developed a comprehensive solution aligned with the EU Taxonomy. The corresponding switch in data supply took place in April 2021.

With the ISS ESG EU Taxonomy Aligned Solution, our external data provider now covers more than 400 Taxonomy-specific screening factors over the course of a five-stage screening process. The five stages involve identifying Taxonomy-related activities, estimating the revenues generated from them, assessing their compliance with the criteria for a substantial contribution as defined in the EU Taxonomy, checking whether the activities fulfil the DNSH (Do No Significant Harm) criteria and reviewing whether they are in line with social safeguards. Each issuer is assessed on the basis of 74 activities, whereby each activity corresponds to the five individual stages of the process.

Although there are still no company reports on alignment with the EU Taxonomy published as yet, ISS ESG believes that the tool will provide a realistic assessment. However, it is important to note that those particular instances where there are no data currently available will have to revert to approximations and assumptions.

The tool goes beyond a binary assessment in assessing the compliance of corporate issuers with EU Taxonomy criteria. There are also different categories of alignment as per the EU's recommendation that investors are responsible for reporting not only the share of investments that are demonstrably EU Taxonomy-aligned, but also the share that is potentially EU Taxonomy-aligned. The EU Taxonomy Aligned Solution from ISS ESG is based on several internal modelling activities as well as third party data sets.

During the 2021 financial year, a share of 4.20 per cent of general Taxonomy-aligned sustainable activities and a share of 44.87 per cent of non-Taxonomy-aligned investments were derived from our investments. The published assessment criteria for the first two climate targets set under the EU Taxonomy Regulation were observed as a result. All government bonds and bonds from supranational issuers were removed from the calculation in accordance with the Delegated Acts to the EU Taxonomy Regulation.

The share of exposure to central governments, central banks and supranational issuers amounts to 47.09 per cent with regard to all investments. The share of derivatives amounts to 1.95 per cent with regard to all investments. The share of exposure to undertakings to entities subject to an obligation to disclose non-financial information in accordance with Article 19a or Article 29a of Directive 2013/34/EU amounts to 26.95 per cent with regard to all investments.

In terms of non-life insurance, detailed research was conducted on approximately 40 non-life insurance lines with regard to all premium elements on the basis of the premiums written before reinsurance. The content of insured benefits and scope of cover were examined by underwriting specialists in terms of being adapted in line with the effects of climate change. As a result of different cover being issued in places, the private customer business and industrial/commercial business were analysed separately and classified in relation to the insurance activity's Taxonomy eligibility. The premium shares of the non-life insurance lines subject to analysis were subsequently combined into the categories as defined in the Delegated Regulations. Furthermore, the share of general Taxonomy-aligned sustainable activities in relation to the total non-life insurance premiums written (before reinsurance) was derived.

During the 2021 financial year, a share of 41.79 per cent of general Taxonomy-aligned sustainable activities, which can be allocated to the environmental target of adapting to climate change, was derived from our non-life insurance premiums written (before reinsurance). This relates primarily to insurance cover for natural disasters that are also linked to climate change. Accordingly, therefore, 58.21 per cent of non-life insurance premiums written (before reinsurance) can be allocated to non-Taxonomy-aligned activities.

Declaration of the legal representatives

We confirm that the summarised non-financial report of UNIQA Insurance Group AG, prepared in accordance with Section 267a (2) of the Austrian Commercial Code (UGB) and the EU Taxonomy Regulation (EU Regulation 2021/852), contains all the information necessary to gain an understanding of the course of business, the business performance, the position of the Group as well as those effects of its activities that relate to environmental, social and employee matters, respect for human rights and the fight against corruption and bribery. The disclosures include a description of the core business of UNIQA Insurance Group AG and its concepts relating to these topics, including the due diligence processes applied and the material risks. The report also includes information on the results of the implementation of these concepts and the key performance indicators.

Vienna, 9 March 2022

Andreas Brandstetter
Chairman of the Management Board

Peter Eichler
Member of the Management Board

Wolf-Christoph Gerlach
Member of the Management Board

Peter Humer
Member of the Management Board

Wolfgang Kindl
Member of the Management Board

René Knapp
Member of the Management Board

Erik Leyers
Member of the Management Board

Klaus Pekarek
Member of the Management Board

Kurt Svoboda
Member of the Management Board

Independent Limited Assurance Report on the Combined Non-financial Report pursuant to Section 267a UGB

We performed a limited assurance engagement of the combined non-financial report pursuant to section 267a UGB (Austrian Company Code) (hereinafter the "combined non-financial report") of UNIQA Insurance Group AG (the "Company"), Vienna, for the financial year 2021.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Company's combined non-financial report is not prepared, in all material aspects, in accordance with the requirements of section 267a UGB and the "EU Taxonomy Regulation" (Regulation (EU) No. 2020/852).

Responsibility of Management and the Supervisory Board

Management is responsible for the preparation of the combined non-financial report in accordance with the requirements of section 267a UGB and the "EU Taxonomy Regulation" (Regulation (EU) No. 2020/852).

Management's responsibility includes the selection and application of appropriate methods to prepare the combined non-financial reporting (in particular the selection of key issues) as well as making assumptions and estimates related to individual sustainability disclosures which are reasonable in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a combined non-financial report that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for examining the combined non-financial report.

Auditor's Responsibility

Our responsibility is to express a limited assurance conclusion based on our procedures performed and evidence obtained as to whether anything has come to our attention that causes us to believe that the Company's combined non-financial report is not prepared, in all material aspects, in accordance with the legal requirements of section 267a UGB and the "EU Taxonomy Regulation" (Regulation (EU) No. 2020/852).

We performed our engagement in accordance with the professional standards applicable in Austria with regard to KFS/PG 13 "Other assurance engagements", KFS/PE28 "Selected issues in connection with the assurance of non-financial statements and non-financial reports pursuant to sections 243b UGB and 267a UGB as well as sustainability reports" and the International Standards on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information". These standards require that we comply with our ethical requirements, including rules on independence, and that we plan and perform our procedures by considering the principle of materiality to be able to express a limited assurance conclusion based on the assurance obtained.

Our report is issued based on the engagement agreed upon with you and is governed by the General Conditions of Contract (AAB) 2018, issued by the Austrian Chamber of Tax Advisers and Auditors (https://www.ksw.or.at/desktopdefault.aspx/tabid-209/), which also apply towards third parties. As provided under section 275 para. 2 UGB (liability provision regarding the audit of financial statements of small and medium-sized companies), our responsibility and liability towards the Company and any third parties arising from the assurance engagement are limited to a total of EUR 2 million.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The selection of the procedures lies in the sole discretion of the auditor and comprised, in particular, the following:

- Evaluating the overall presentation of the disclosures and non-financial information
- Critical assessment of the Company's analysis of materiality considering the concerns of external stakeholders by interviewing the responsible employees and inspecting relevant documents
- Obtaining an overview of the policies pursued by the Company, including due diligence processes implemented as well as the processes used to ensure an accurate presentation in the combined non-financial report by interviewing the Company's management and inspecting internal guidelines, procedural instructions and management systems in connection with non-financial matters/disclosures
- Obtaining an understanding of reporting processes by interviewing the relevant employees and inspecting selected documentations
- Evaluating the reported disclosures by performing analytical procedures regarding non-financial performance indicators, interviewing relevant employees and inspecting selected documentations
- Critical appraisal of the disclosures in accordance with the requirements of the "EU Taxonomy Regulation" (Regulation (EU) No. 2020/852)
- Examining the combined non-financial report regarding its completeness in accordance with the requirements of section 267a UGB and the "EU Taxonomy Regulation" (Regulation (EU) No. 2020/852)

The engagement and, in particular, all interviews as well as procedures were performed by virtual means due to the ongoing COVID-19 pandemic and the coronavirus containment measures. Data was exchanged via platforms provided by us as well as via e-mail and mail. Interviews were conducted via telephone as well as via video conferencing.

The following is not part of our engagement:

- Examining the processes and internal controls particularly regarding their design, implementation and effectiveness
- Performing procedures at individual locations as well as measurements or individual evaluations to check the reliability and accuracy of data received
- Examining the prior-year figures, forward-looking information or data from external surveys
- Examining the correct transfer of data and references from the (consolidated) financial statements to the non-financial reporting; and
- Examining the information and disclosures on the website or further references on the internet

Neither an audit nor a review of financial statements is objective of our engagement. Furthermore, neither the disclosure and solution of criminal acts, as e.g. embezzlement or other kinds of fraud, and wrongful doings, nor the assessment of the effectiveness and profitability of the management are objectives of our engagement.

Restriction of Use

Because our report is prepared solely for and on behalf of the client, it does not constitute a basis for any reliance on its contents by other third parties. Therefore, no claims of other third parties can be derived from it.

Vienna
9 March 2022

PwC Wirtschaftsprüfung GmbH

Werner Stockreiter
Austrian Certified Public Accountant

signed

We draw attention to the fact that the English translation of this report is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Group Management Report

Economic environment

Economic development was shaped above all by the coronavirus pandemic and the associated restrictions in 2021. At the beginning of the year, the sharp increase in the number of Covid-19 cases in the eurozone led to continued restrictions on economic activity. This resulted in negative economic growth of –4.1 per cent in the first quarter of 2021. The national economies were able to take generous opening steps thanks to the development, approval and use of new vaccines against the Covid-19 virus. Strong economic growth was recorded in the second quarter (+12.8 per cent) and third quarter (+5.6 per cent) accordingly. The labour market also recovered during the course of the economic recovery. The unemployment rate was still 7.0 per cent at the beginning of 2021. By the end of the year, the labour market recovered to 5.3 per cent, despite the renewed Covid-19 restrictions in the fourth quarter. Restrictions were again imposed by the federal government due to the intensified pandemic situation in the fourth quarter of 2021. The renewed lockdown of public life caused the economy to decline by 2.2 per cent in the fourth quarter.

The complete opening of the economy also led to a rise in inflation. The development of inflation in 2021 was determined by different effects. Sharp rises in energy prices, friction in the global supply chain and the strong recovery in the labour market fuelled inflation from the second half of 2021. Inflation in Austria was measured at 2.7 per cent in 2021 and is in line with the eurozone average (2.6 per cent). The first monetary policy measures were taken by the major central banks in response to the continuing growth in inflation in the fourth quarter. The Bank of England was the first major central bank to raise its key interest rate to 0.25 per cent in the fourth quarter. The ECB decided to end the Pandemic Emergency Purchase Programme (PEPP) in December in response to rising inflation in the eurozone. A first interest rate hike is also possible if inflation remains high. The US Federal Reserve (Fed) also announced its exit from its bond-buying programme. In addition, the prospect of first interest rate steps was also held out in response to rising inflation in the USA.

Risk premiums in the eurozone hardly changed over the year and are close to their pre-crisis level at the end of 2021. This is mainly due to the ECB's monetary policy measures. In addition, the EU Recovery Fund adopted by the EU has strengthened investor confidence in the creditworthiness of eurozone countries: direct borrowing by the EU, which ensures low-cost financing, is intended to provide grants and loans to the member states.

Genuine economic recovery in CEE

The economies in Central and Eastern Europe have also been on the road to recovery since the start of the Covid-19 vaccination campaigns. In Poland, GDP grew by 5.7 per cent in 2021 and is already back above the pre-crisis levels of 2019. The strong economic recovery also fuelled inflation (5.1 per cent) in 2021. Economic performance also recovered in the Czech Republic this year, with growth of 3.1 per cent. Hungary's economy recorded growth of 7.3 per cent in 2021 and is already above the level before the outbreak of the coronavirus pandemic. In the other markets in CEE, the reopening of the economy also led to genuine economic growth.

UNIQA Group

With premiums written, including savings portions from unit-linked and index-linked life insurance of €6,358.0 million, the UNIQA Group is among the leading insurance groups in Central and Eastern Europe. The savings portions from unit-linked and index-linked life insurance in the amount of €324.6 million were netted out against the change in insurance provision pursuant to FAS 97 (US GAAP). Without taking the savings portions from unit-linked and index-linked life insurance into consideration, the volume of premiums written amounted to €6,033.4 million.

UNIQA in Europe

UNIQA offers its products and services via all distribution channels (hired sales force, general agencies, brokers, banks and direct sales) and covers virtually the entire range of insurance lines. UNIQA is the second-largest insurance group in Austria, with a presence in 15 countries of the CEE growth region: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Kosovo, Montenegro, North Macedonia, Poland, Romania, Russia, Serbia, Slovakia and Ukraine. In addition, insurance companies in Switzerland and Liechtenstein are also part of the UNIQA Group.

The listed holding company UNIQA Insurance Group AG manages the Group and also operates the indirect insurance business concluded as active reinsurance with another insurance company. Moreover, UNIQA Insurance Group AG carries out numerous service functions for UNIQA Österreich Versicherungen AG and its international Group companies, in order to take best advantage of synergy effects and to implement the Group's long-term corporate strategy consistently.

Property and casualty insurance

The property and casualty insurance line includes property insurance for private individuals and companies, as well as private casualty insurance. The UNIQA Group received premiums written in property and casualty insurance in the amount of €3,489.5 million in 2021 (2020: €3,010.3 million), i.e. 54.9 per cent (2020: 54.1 per cent) of the total premium volume. The largest share by far in the volume of property and casualty insurance comes from private consumer business. Most property and casualty insurance policies are taken out for a limited term of up to three years. A broad spread across the different risks of a great many customers and the relatively short terms of these contracts lead to only moderate capital requirements and also make this business segment attractive as a result.

Health insurance

Health insurance in Austria includes voluntary health insurance for private customers, commercial preventive healthcare and opt-out offers for certain independent professions such as lawyers, architects and chemists. Although health insurance is still at the early stages in CEE, increased levels of prosperity in the region make the long-term growth potential even greater. Group-wide, premiums written totalled €1,226.5 million in 2021 (2020: €1,167.6 million), i.e. 19.3 per cent (2020: 21.0 per cent) of the total premium volume. UNIQA is the undisputed market leader in this strategically important business line in Austria, with around 46 per cent of market share. The overwhelming majority comes from Austria with around 91 per cent of premiums, with the remaining 9 per cent from international business.

Life insurance

Life insurance covers economic risks that stem from the uncertainty as to how long a customer will live. It includes savings products such as classic and unit-linked life insurance. There are also biometric products which hedge against risks such as occupational disability, long-term care needs or death. The life insurance business model is structured towards the long term, with policy terms of around 25 years on average. Life insurance is still facing major challenges, as the low interest rate environment is particularly disadvantageous to all long-term forms of saving and investment, including for life insurance. In life insurance, UNIQA reached a premium volume (including savings portions from unit-linked and index-linked life insurance) of €1,642.0 million Group-wide in 2021 (2020: €1,387.5 million), i.e. 25.8 per cent (2020: 24.9 per cent) of the total premium volume.

Companies included in the IFRS consolidated financial statements

In addition to the annual financial statements of UNIQA Insurance Group AG, the consolidated financial statements include the financial statements of all subsidiaries in Austria and abroad as well as those of the investment funds under the Group's control. The basis of consolidation – including UNIQA Insurance Group AG – comprised 31 Austrian (2020: 33) and 58 international (2020: 66) subsidiaries as well as five Austrian (2020: 5) and eight international (2020: 6) controlled pension and investment funds. The associates relate to four Austrian (2020: 4) and one international company (2020: 1) that were included in the consolidated financial statements using the equity method of accounting.

Details on the consolidated companies and associates are contained in the corresponding overview in the consolidated financial statements. The accounting and measurement methods are also described in the consolidated financial statements.

Risk reporting

UNIQA's comprehensive risk report is included in the notes to the 2021 consolidated financial statements.

Corporate Governance Report

Since 2004, UNIQA has pledged to comply with the Austrian Code of Corporate Governance. UNIQA publishes its consolidated Corporate Governance Report at www.uniqagroup.com in the Investor Relations section.

Consolidated non-financial statement, consolidated non-financial report

In accordance with Section 267a(6) of the Austrian Commercial Code, UNIQA Insurance Group AG prepares its consolidated non-financial statement as a separate summarised non-financial report. The separate summarised non-financial report is prepared and signed by all legal representatives. It is submitted to the Supervisory Board for review and published together with the Group Management Report pursuant to Section 280 of the Austrian Commercial Code.

Group business development

- Premiums written (including savings portions from unit-linked and index-linked life insurance) rose by 14.2 per cent to €6,358.0 million
- Combined ratio improved from 97.8 per cent to 93.7 per cent
- Finance costs rose to €134.8 million due to one-off effects from bond buybacks in the fourth quarter of 2021
- Earnings before taxes at €382.3 million in 2021 due to the very strong performance
- Proposed dividend of €0.55 per share for 2021

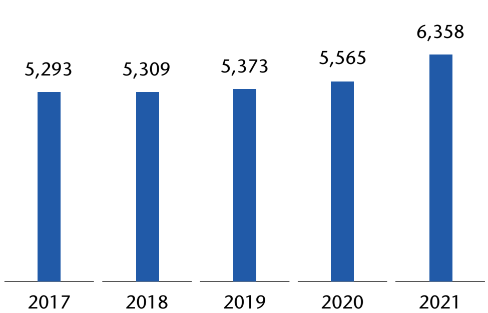
UNIQA Group
In € million

	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	6,358.0	5,565.3	5,372.6
Cost ratio (net after reinsurance)	27.4%	29.4%	27.2%
Combined ratio (net after reinsurance)	93.7%	97.8%	96.4%
Earnings before taxes	382.3	57.1	232.0
Consolidated profit/(loss) (proportion of the net profit for the period attributable to the shareholders of UNIQA Insurance Group AG)	314.7	19.4	171.0

Changes in premiums

UNIQA's total premium volume increased in 2021 – taking into account the savings portions from unit-linked and index-linked life insurance in the amount of €324.6 million (2020: €304.1 million) – by 14.2 per cent to €6,358.0 million (2020: €5,565.3 million). The main driver of this was the full effect of the initial consolidation of the former AXA CEE companies, which took place in the fourth quarter of 2020.

Premiums written including savings portions from unit-linked and index-linked life insurance
In € million



In the area of insurance policies with recurring premium payments, there was an encouraging increase of 13.4 per cent to €6,207.8 million (2020: €5,472.2 million). In the single premium business, the premium volume also increased to €150.2 million (2020: €93.2 million).

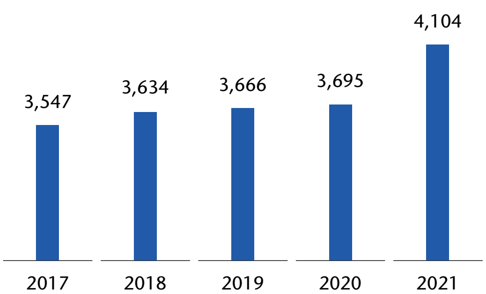
Premiums written in property and casualty insurance increased by 15.9 per cent to €3,489.5 million in 2021 (2020: €3,010.3 million). In health insurance, premiums written rose by 5.0 per cent to €1,226.5 million in the reporting period (2020: €1,167.6 million). In life insurance, the premiums written including savings portions from the unit-linked and index-linked life insurance increased by 18.3 per cent to €1,642.0 million (2020: €1,387.5 million).

The Group's premiums earned including savings portions from unit-linked and index-linked life insurance (after reinsurance) amounting to €324.6 million (2020: €304.1 million) rose by 12.9 per cent to €6,022.2 million (2020: €5,333.7 million). The volume of premiums earned (net, in accordance with IFRSs) increased by 13.3 per cent to €5,697.6 million (2020: €5,029.5 million).

Change in insurance benefits

Insurance benefits before reinsurance (see note 8 in the consolidated financial statements) increased by 14.3 per cent to €4,365.5 million in the 2021 financial year (2020: €3,819.8 million). Consolidated insurance benefits (net) rose less than the volume of premiums earned in the past year by 11.1 per cent to €4,104.2 million (2020: €3,694.6 million).

Insurance benefits (net)
In € million

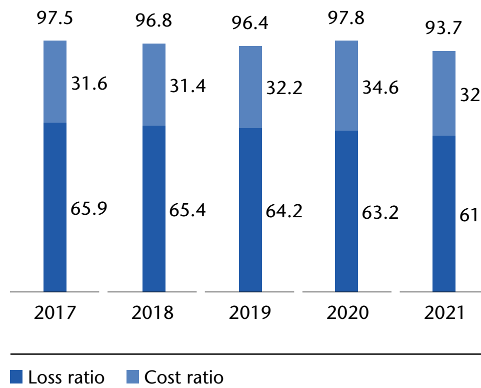


Despite a significant burden from natural catastrophe and major losses due to favourable basic loss development, the loss ratio after reinsurance in property and casualty insurance decreased to 61.3 per cent in 2021 (2020: 63.2 per cent). At around €94 million, the claim load from natural catastrophes was far above the average of recent years. In particular, there were decreasing claims expenses in the area of motor vehicle insurance due to lower mobility levels in 2021 in connection with Covid-19. The combined ratio after reinsurance therefore improved strongly to 93.7 per cent due to the lower cost ratio at Group level (2020: 97.8 per cent).

Property and casualty insurance
In € million

	2021	2020	2019
Premiums written	3,489.5	3,010.3	2,846.8
Insurance benefits (net)	– 1,965.1	– 1,775.1	– 1,719.5
Loss ratio (after reinsurance)	61.3%	63.2%	64.2%
Operating expenses (net)	– 1,037.8	– 970.7	– 861.2
Cost ratio (net after reinsurance)	32.4%	34.6%	32.2%
Combined ratio (net after reinsurance)	93.7%	97.8%	96.4%
Net investment income	135.2	29.5	122.1
Earnings before taxes	107.3	– 67.9	61.4
Technical provisions (net)	3,891.2	3,732.1	3,061.3

Combined ratio after reinsurance
In per cent



Operating expenses

Total consolidated operating expenses (see note 9 in the consolidated financial statements), less reinsurance commissions received and the share of profit from reinsurance ceded, rose by 5.2 per cent to €1,648.5 million in the 2021 financial year (2020: €1,566.4 million). The expenses for the acquisition of insurance less reinsurance commissions received and the share of profit from reinsurance ceded amounting to €23.6 million (2020: €18.5 million) increased less than the volume of premiums earned by 10.1 per cent to €1,029.2 million (2020: €934.9 million). Other operating expenses decreased by 1.9 per cent to €619.4 million (2020: €631.5 million). This includes expenses amounting to around €60 million (2020: around €62 million) as part of the innovation and investment programme.

A one-off restructuring provision of around €100 million was included in the 2020 financial year affecting costs. However, the full costs of the former AXA CEE companies amounting to more than €100 million are included in 2021 due to the full-year consolidation. The decrease in operating expenses is therefore due in part to the initial successes from the cost programme.

The cost ratio after reinsurance, i.e. the ratio of total operating expenses less the amounts received from reinsurance commission and share of profit from reinsurance ceded to the Group premiums earned, including savings portions from unit-linked and index-linked life insurance, increased to 27.4 per cent during the past year as a result of

Health insurance
In € million

	2021	2020	2019
Premiums written	1,226.5	1,167.6	1,130.8
Insurance benefits (net)	– 997.7	– 963.1	– 969.3
Operating expenses (net)	– 206.6	– 225.0	– 187.8
Cost ratio (net after reinsurance)	17.0%	19.3%	16.7%
Net investment income	163.1	104.5	109.0
Earnings before taxes	173.0	79.5	85.8
Technical provisions (net)	3,812.8	3,622.8	3,433.9

the developments mentioned above (2020: 29.4 per cent). The cost ratio before reinsurance fell to 26.4 per cent (2020: 28.6 per cent).

Investments
The UNIQA Group's investment portfolio (including investment property, financial assets accounted for using the equity method and other investments) decreased by 2.4 per cent to €21,785.0 million in the 2021 financial year (31 December 2020: €22,319.2 million).

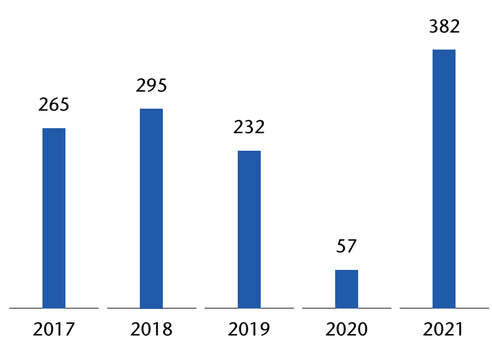
Net investment income increased by 28.2 per cent to €648.0 million (2020: €505.4 million). This was mainly due to realisations from equity funds, fixed-income securities and, to a lesser extent, gains from the sale of properties. Currency effects amounting to €8.8 million had a negative impact on net investment income. In addition, the equity method accounting of the 15.3 per cent holding in STRABAG SE in 2021 resulted in a positive contribution to earnings of €70.5 million (2020: €56.0 million). A detailed description of net investment income can be found in the consolidated financial statements (see note 4 in the consolidated financial statements).

Other income and other expenses
Other income rose by 38.7 per cent in 2021 to €300.4 million (2020: €216.5 million). Other expenses grew less strongly in the reporting year by 8.7 per cent to €250.6 million (2020: €230.5 million).

Results
The UNIQA Group's technical result increased by 167.2 per cent to €209.2 million in 2021 due to the improved cost development and the favourable claim load (2020: €78.3 million). Operating profit increased by 137.4 per cent to €588.0 million (2020: €247.6 million).

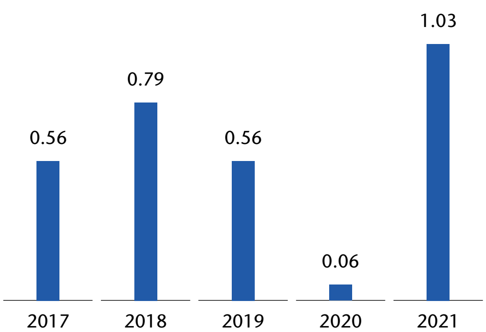
Accordingly, UNIQA's earnings before taxes increased almost sevenfold to €382.3 million (2020: €57.1 million). Profit/(loss) for the year also increased in the reporting year to €317.9 million (2020: €24.3 million). Income tax expense increased to €64.4 million in 2021 due to the good result (2020: €32.8 million).

Earnings before taxes
In € million



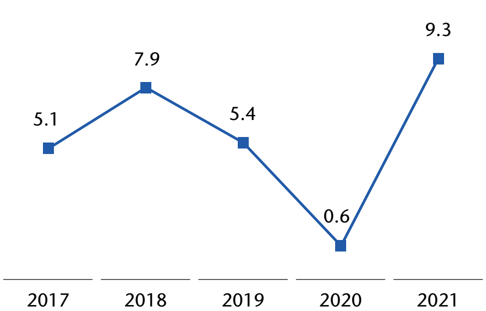
The consolidated profit/(loss) (share of the profit/(loss) for the period attributable to the shareholders of UNIQA Insurance Group AG) amounted to €314.7 million (2020: €19.4 million). Earnings per share rose as a result to €1.03 (2020: €0.06).

Earnings per share
In €



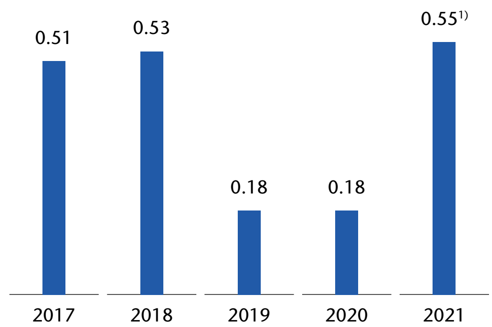
The return on equity (after taxes and non-controlling interests) rose to 9.3 per cent in the reporting year (2020: 0.6 per cent).

Operating return on equity
In per cent



On this basis, the Management Board will propose to the Supervisory Board and the Annual General Meeting the distribution of a dividend of 55 cents per share (2020: 18 cents per share).

Dividend per share
In €



[1] Proposal to the Annual General Meeting

Own funds and total assets

The equity attributable to the shareholders of UNIQA Insurance Group AG fell in the past financial year by €146.5 million to €3,303.6 million (31 December 2020: €3,450.1 million). The reason for this was the fall in the measurement of financial instruments available for sale through the increase in the general interest rate level. Non-controlling interests amounted to €19.7 million (31 December 2020: €24.8 million). The Group's total assets came to €31,547.8 million as at 31 December 2021 (31 December 2020: €31,908.0 million).

Cash flow

UNIQA's net cash flow from operating activities amounted to €726.1 million in 2021 (2020: €167.9 million). Cash flow from investment activities amounted to €–653.2 million (2020: €–714.7 million). Net cash flows from financing activities amounted to €–127.9 million (2020: €712.8 million). Overall, cash and cash equivalents decreased slightly by €48.1 million in the 2021 financial year to €592.6 million (2020: €640.7 million).

Life insurance

In € million	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	1,642.0	1,387.5	1,394.9
Insurance benefits (net)	– 1,141.4	– 956.4	– 977.3
Operating expenses (net)	– 404.1	– 370.7	– 358.1
Cost ratio (net after reinsurance)	25.2%	27.2%	26.1%
Net investment income	349.6	371.3	354.1
Earnings before taxes	102.0	45.5	84.8
Technical provisions (net)	15,907.0	16,442.0	15,588.7
of which technical provisions from unit-linked and index-linked life insurance (net)	5,028.5	5,115.4	4,646.0

Employees

UNIQA's average number of employees (full-time equivalents, FTEs) increased to 14,849 FTEs in 2021 due to the inclusion of the AXA CEE companies (2020: 13,408). This includes 4,005 FTEs (2020: 4,138) as field sales employees. The number of employees in administration amounted to 10,844 FTEs (2020: 9,271).

In the Central Europe (CE) region – Poland, Slovakia, the Czech Republic and Hungary – the Group employed an average of 4,887 FTEs in 2021 (2020: 3,231), while 2,286 FTEs (2020: 2,285) were employed in the Southeastern Europe (SEE) region – Albania, Bosnia and Herzegovina, Bulgaria, Kosovo, Croatia, Montenegro, North Macedonia and Serbia – and 1,599 FTEs (2020: 1,622) in the Eastern Europe (EE) region of Romania and Ukraine. There were 110 FTEs working in Russia (RU) (2020: 103). The average number of FTEs in the Western European markets in 2021 was 42 (2020: 42). A total of 5,925 FTEs were employed in Austria (2020: 6,125). Including the employees of the general agencies working exclusively for UNIQA, the total number of people working for the Group amounts to around 22,400.

In 2021, 60 per cent (2020: 60 per cent) of the staff working in administrative positions at UNIQA in Austria were women. In sales, the ratio was 80 per cent men to 20 per cent women (2020: 80 per cent men to 20 per cent women). 17.3 per cent (2020: 24.6 per cent) of employees were working part-time. The average age in the past year was 44 years (2020: 44.5 years).

In Austria almost all employees have a share in the company's success through some form of variable participation programme. There is a bonus system in place for managers and selected key employees on the one hand and a profit-sharing scheme for eligible employees on the other. In 2021, around 13 per cent of employees participated in the bonus programme for managers and selected key employees, a variable remuneration system that is linked to both the success of the company and personal performance (2020: no bonus in place). Around 73 per cent of employees will participate in the profit-sharing scheme for 2021 (2020: no employee participation). The amount of the profit-sharing budget depends on the achievement of a profit target, and distributions will only take place after the company's success has been determined in the following year.

In addition, UNIQA offers young people in training the opportunity to get to know foreign cultures and make international contacts. Currently 88 apprentices are being trained.

Operating segments

UNIQA Austria

- Premiums written (including savings portions from unit-linked and index-linked life insurance) rose to €3,916.6 million
- Cost ratio reduced to 20.0 per cent through consistent cost programme
- Combined ratio improved from 98.7 per cent to 91.7 per cent
- Earnings before taxes of €339.2 million

UNIQA Austria In € million	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	3,916.6	3,837.5	3,800.8
Cost ratio (net after reinsurance)	20.0%	23.4%	20.8%
Combined ratio (net after reinsurance)	91.7%	98.7%	93.9%
Earnings before taxes	339.2	– 119.1	159.6

Changes in premiums

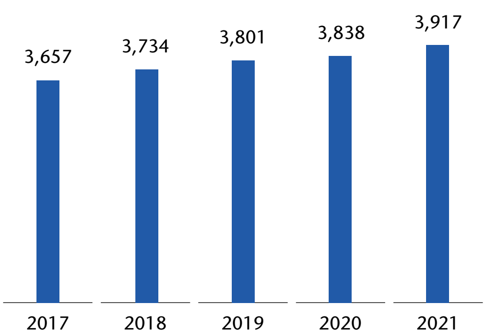
At UNIQA Austria, premiums written including savings portions from unit-linked and index-linked life insurance increased by 2.1 per cent to €3,916.6 million in 2021 (2020: €3,837.5 million). Recurring premiums rose by 1.5 per cent to €3,864.1 million (2020: €3,807.7 million). The single premium business increased to €52.5 million (2020: €29.8 million).

Including savings portions from unit-linked and index-linked life insurance, the volume of premiums earned at UNIQA Austria amounted to €3,113.3 million (2020: €3,076.7 million). The volume of premiums earned (net, in accordance with IFRSs) rose in 2021 by 1.1 per cent to €2,900.1 million (2020: €2,869.7 million).

While premiums written in property and casualty insurance rose by 3.4 per cent to €1,857.6 million (2020: €1,796.1 million), they rose in health insurance by 2.8 per cent to €1,120.5 million (2020: €1,089.6 million). In life insurance (including savings portions from the unit-linked and index-linked life insurance) they fell slightly by 1.4 per cent to €938.5 million (2020: €951.8 million).

Property and casualty insurance In € million	2021	2020	2019
Premiums written	1,857.6	1,796.1	1,760.7
Insurance benefits (net)	– 684.8	– 698.6	– 688.3
Loss ratio (after reinsurance)	63.0%	65.5%	65.6%
Operating expenses (net)	– 311.9	– 353.7	– 297.4
Cost ratio (net after reinsurance)	28.7%	33.2%	28.3%
Combined ratio (net after reinsurance)	91.7%	98.7%	93.9%
Net investment income	132.9	– 196.1	33.7
Earnings before taxes	191.3	– 197.3	83.1
Technical provisions (net)	1,189.6	1,171.6	1,099.3

Premiums written including savings portions from unit-linked and index-linked life insurance – UNIQA Austria
In € million



In property and casualty insurance, premiums earned (net, according to IFRSs) rose by 1.9 per cent to €1,086.7 million (2020: €1,066.1 million) and in health insurance by 2.6 per cent to €1,111.1 million (2020: €1,082.7 million). However, in life insurance they fell by 2.6 per cent to €702.3 million (2020: €720.9 million). Including savings portions from unit-linked and index-linked life insurance, the volume of premiums earned in life insurance amounted to €915.5 million (2020: €927.9 million).

Change in insurance benefits
Net insurance benefits at UNIQA Austria increased by 2.5 per cent to €2,442.3 million in 2021 (2020: €2,383.7 million). They even fell by 2.0 per cent in property and casualty insurance to €684.8 million, despite the growth in premiums earned (2020: €698.6 million). As a result, the loss ratio in property and casualty insurance improved to 63.0 per cent in 2021 (2020: 65.5 per cent). The combined ratio after reinsurance in the UNIQA Austria segment decreased significantly to 91.7 per cent, due to the improved cost ratio (2020: 98.7 per cent). Net insurance benefits in health insurance increased by 3.4 per cent to €947.7 million (2020: €916.9 million). In life insurance, they rose by 5.4 per cent to €809.8 million (2020: €768.2 million).

Operating expenses
Operating expenses less reinsurance commissions received and the share of profit from reinsurance ceded of €201.7 million (2020: €194.3 million) decreased by 13.5 per cent to €622.2 million in the 2021 financial year (2020: €719.3 million). In the previous year, operating expenses were higher due to extraordinary restructuring expenses. They fell 11.8 per cent in property and casualty insurance to €311.9 million (2020: €353.7 million). In health insurance, they also decreased by 14.6 per cent to €151.1 million (2020: €176.9 million). They also decreased in life insurance by 15.6 per cent to €159.3 million (2020: €188.8 million).

The cost ratio of UNIQA Austria after reinsurance, i.e. the ratio of total operating expenses, less reinsurance commission and share of profit from reinsurance ceded, to premiums earned, including savings portions from unit-linked and index-linked life insurance, thus decreased to 20.0 per cent during the past year (2020: 23.4 per cent).

Net investment income
Net investment income in the UNIQA Austria segment rose by 252.8 per cent to €567.3 million in 2021 (2020: €160.8 million).

Health insurance
In € million

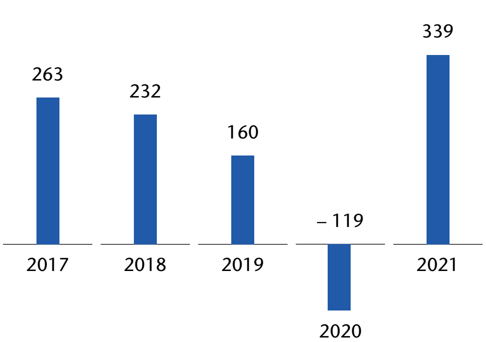
	2021	2020	2019
Premiums written	1,120.5	1,089.6	1,056.3
Insurance benefits (net)	– 947.7	– 916.9	– 927.8
Operating expenses (net)	– 151.1	– 176.9	– 153.3
Cost ratio (net after reinsurance)	13.6%	16.3%	14.6%
Net investment income	112.0	95.1	101.2
Earnings before taxes	124.7	84.6	70.9
Technical provisions (net)	3,753.4	3,573.2	3,386.2

Life insurance
In € million

	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	938.5	951.8	983.9
Insurance benefits (net)	– 809.8	– 768.2	– 810.3
Operating expenses (net)	– 159.3	– 188.8	– 185.1
Cost ratio (net after reinsurance)	17.4%	20.3%	19.3%
Net investment income	322.5	261.9	289.1
Earnings before taxes	23.3	– 6.3	5.5
Technical provisions (net)	13,181.5	13,817.0	13,940.2

Earnings before taxes
Primarily as a result of the decrease in costs and the good claims development as well as the increase in net investment income, UNIQA Austria's earnings before taxes rose in the reporting year to €339.2 million (2020: €–119.1 million). In property and casualty insurance, they improved to €191.3 million (2020: €–197.3 million). In health insurance, they increased by 47.4 per cent to €124.7 million (2020: €84.6 million). In life insurance, earnings before taxes grew to €23.3 million (2020: €–6.3 million).

Earnings before taxes UNIQA Austria
In € million



UNIQA International

- Premiums written (including savings portions from unit-linked and index-linked life insurance) rose to €2,423.3 million
- Combined ratio further improved to an excellent 92.9 per cent
- The technical result rose to €100.1 million
- Earnings before taxes at €133.7 million due to improvement in technical result

UNIQA International
In € million

	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	2,423.3	1,705.4	1,561.2
Cost ratio (net after reinsurance)	35.5%	38.8%	38.3%
Combined ratio (net after reinsurance)	92.9%	93.3%	95.0%
Earnings before taxes	133.7	– 27.0	16.0

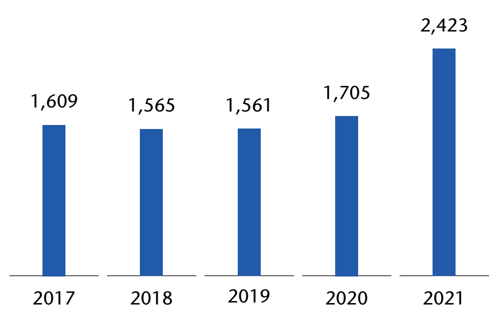
Changes in premiums

Premiums written, including savings portions from unit-linked and index-linked life insurance, increased in the UNIQA International segment in 2021 by 42.1 per cent to €2,423.3 million as a result of the acquisition of the former AXA companies in Poland, the Czech Republic and Slovakia (2020: €1,705.4 million). While recurring premiums increased by 41.6 per cent to €2,325.6 million (2020: €1.642.1 million), single premium income rose by 54.1 per cent to €97.7 million (2020: €63.4 million). The international companies thereby contributed a total of 38.1 per cent in 2021 (2020: 30.6 per cent) to the total Group premiums.

Including savings portions from unit-linked and index-linked life insurance, UNIQA International's volume of premiums earned amounted to €1,671.3 million (2020: €1,200.5 million). The volume of premiums earned (net, in accordance with IFRSs) increased in 2021 by 41.4 per cent to €1,559.9 million (2020: €1,103.4 million).

While premiums written in property and casualty insurance grew by 35.7 per cent to €1,618.7 million (2020: €1,192.6 million), they rose in health insurance by 36.0 per cent to €106.0 million (2020: €77.9 million). In life insurance, premiums written (including savings portions from unit-linked and index-linked life insurance) rose by 60.6 per cent to €698.6 million (2020: €434.9 million).

Premiums written including savings portions from unit-linked and index-linked life insurance – UNIQA International
In € million



In property and casualty insurance, premiums earned (net, according to IFRSs) rose by 28.4 per cent to €902.4 million (2020: €702.5 million), in health insurance they grew by 25.5 per cent to €93.4 million (2020: €74.4 million). In life insurance, they increased by 72.8 per cent to €564.1 million (2020: €326.4 million). Including savings portions from unit-linked and index-linked life insurance, the volume of premiums earned in life insurance amounted to €675.5 million (2020: €423.5 million).

Property and casualty insurance

In € million	2021	2020	2019
Premiums written	1,618.7	1,192.6	1,076.9
Insurance benefits (net)	– 505.8	– 386.2	– 347.6
Loss ratio (after reinsurance)	56.1%	55.0%	56.6%
Operating expenses (net)	– 332.2	– 269.4	– 235.7
Cost ratio (net after reinsurance)	36.8%	38.3%	38.4%
Combined ratio (net after reinsurance)	92.9%	93.3%	95.0%
Net investment income	34.8	34.2	25.3
Earnings before taxes	36.2	– 37.2	– 30.5
Technical provisions (net)	1,220.3	1,275.9	678.6

In Central Europe (CE) – which includes Poland, Slovakia, the Czech Republic and Hungary – premiums written including savings portions from unit-linked and index-linked life insurance increased in the 2021 financial year by 57.9 per cent to €1,805.1 million due to the inclusion of the former AXA-CEE companies (2020: €1,143.5 million). In Eastern Europe (EE) – consisting of Romania and Ukraine – they rose by 9.7 per cent to €211.8 million (2020: €193.1 million). In Southeastern Europe (SEE) – comprising Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Montenegro, North Macedonia and Serbia – premiums written including savings portions from unit-linked and index-linked life insurance grew by 11.8 per cent to €323.7 million in 2021 (2020: €289.5 million). In Russia (RU), they rose by 3.3 per cent to €73.7 million (2020: €71.4 million). In Western Europe (WE), they amounted to €8.9 million (2020: €8.0 million).

Change in insurance benefits

Net insurance benefits at UNIQA International increased in 2021 by 43.9 per cent to €875.0 million (2020: €608.1 million). They rose 31.0 per cent in property and casualty insurance to €505.8 million (2020: €386.2 million). In health insurance, they grew 18.3 per cent to reach €49.9 million (2020: €42.2 million). In life insurance, they also increased by 77.6 per cent to €319.3 million (2020: €179.8 million). As a result, the loss ratio in property and casualty insurance rose slightly to 56.1 per cent in 2021 (2020: 55.0 per cent), the combined ratio after reinsurance of the UNIQA International segment nevertheless improved to 92.9 per cent (2020: 93.3 per cent).

In the Central Europe (CE) region, insurance benefits rose by 63.2 per cent to €607.8 million in 2021 (2020: €372.5 million), in the Eastern Europe (EE) region they increased by 16.2 per cent to €74.0 million (2020: €63.7 million). In Southeastern Europe (SEE), they increased by 13.0 per cent to €130.7 million (2020: €115.6 million). At €61.7 million in Russia, benefits were 12.4 per cent above the previous year's level (2020: €54.9 million). In Western Europe, they decreased to €0.8 million (2020: €1.3 million).

Operating expenses

Operating expenses less reinsurance commissions received and the share of profit from reinsurance ceded of €185.7 million (2020: €129.2 million) increased by 27.1 per cent to €592.7 million in the 2021 financial year (2020: €466.4 million). They rose by 23.3 per cent in property and casualty insurance to €332.2 million (2020: €269.4 million), in health insurance they grew by 32.0 per cent to €36.1 million (2020: €27.4 million). In life insurance, they increased by 32.3 per cent to €224.4 million (2020: €169.6 million).

The cost ratio of UNIQA International after reinsurance, i.e. the ratio of total operating expenses, less reinsurance commission and share of profit from reinsurance ceded, to premiums earned, including savings portions from unit-linked and index-linked life insurance, amounted to 35.5 per cent during the past year (2020: 38.8 per cent).

In Central Europe, operating expenses less reinsurance commissions received and the share of profit from reinsurance ceded rose by 48.6 per cent to €381.7 million in the reporting period (2020: €256.9 million). In Eastern Europe,

Health insurance

In € million	2021	2020	2019
Premiums written	106.0	77.9	74.6
Insurance benefits (net)	– 49.9	– 42.2	– 38.8
Operating expenses (net)	– 36.1	– 27.4	– 21.3
Cost ratio (net after reinsurance)	38.7%	36.8%	31.8%
Net investment income	0.2	0.0	0.4
Earnings before taxes	7.0	4.5	7.1
Technical provisions (net)	56.4	46.0	44.8

Life insurance
In € million

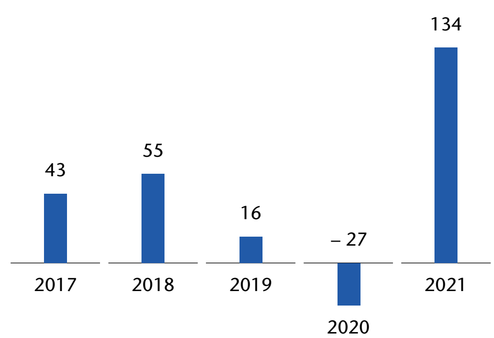
	2021	2020	2019
Premiums written, including savings portions from unit-linked and index-linked life insurance	698.6	434.9	409.8
Insurance benefits (net)	– 319.3	– 179.8	– 155.1
Operating expenses (net)	– 224.4	– 169.6	– 157.9
Cost ratio (net after reinsurance)	33.2%	40.0%	39.3%
Net investment income	37.0	71.8	35.9
Earnings before taxes	90.5	5.7	39.4
Technical provisions (net)	2,756.5	2,651.6	1,654.4

they increased slightly by 1.8 per cent to €70.6 million (2020: €69.3 million). In Southeastern Europe they grew by 2.9 per cent to €104.4 million (2020: €101.5 million). In Russia, costs fell by 9.1 per cent to €12.2 million (2020: €13.4 million), while in Western Europe they amounted to €1.8 million (2020: €1.4 million). In administration (UNIQA International AG), costs fell by 7.5 per cent to €22.1 million (2020: €23.8 million).

Net investment income
Net investment income in the segment dropped by 32.1 per cent to €72.0 million in 2021 (2020: €106.1 million).

Earnings before taxes
Earnings before taxes in the UNIQA International segment rose to €133.7 million in the reporting year due to the improvement in the technical result (2020: €–27.0 million). In property and casualty insurance, earnings before taxes therefore increased to €36.2 million (2020: €–37.2 million), in health insurance they increased by 55.9 per cent to €7.0 million (2020: €4.5 million). Finally, in life insurance, earnings before taxes grew to €90.5 million (2020: €5.7 million).

Earnings before taxes UNIQA International
In € million



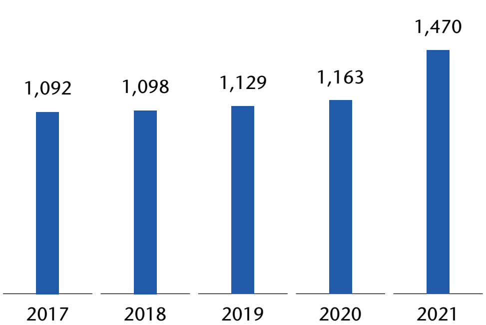
Reinsurance

Reinsurance In € million	2021	2020	2019
Premiums written	1,469.5	1,162.7	1,129.2
Insurance benefits (net)	– 788.0	– 700.6	– 700.4
Operating expenses (net)	– 359.8	– 311.0	– 303.7
Cost ratio (net after reinsurance)	29.3%	29.4%	29.5%
Earnings before taxes	95.6	58.3	33.5
Technical provisions (net)	1,564.6	1,373.6	1,406.4

In the reinsurance segment, the volume of premiums written rose in 2021 by 26.4 per cent to €1,469.5 million (2020: €1,162.7 million).

Premiums written including savings portions from unit-linked and index-linked life insurance – reinsurance

In € million



The volume of premiums earned (net, in accordance with IFRSs) increased by 16.4 per cent to €1,229.2 million (2020: €1,056.1 million).

Net insurance benefits rose by 12.5 per cent to €788.0 million in 2021 (2020: €700.6 million).

Operating expenses less reinsurance commissions received and the share of profit from reinsurance ceded of €10.4 million (2020: €12.2 million) rose by 15.7 per cent to €359.8 million (2020: €311.0 million).

Net investment income increased to €33.7 million in 2021 (2020: €6.9 million).

Earnings before taxes in the reinsurance segment increased by 64.0 per cent to €95.6 million (2020: €58.3 million).

Group functions

Group functions In € million	2021	2020	2019
Operating expenses (net)	– 67.9	– 80.0	– 48.5
Net investment income	606.8	96.2	356.3
Earnings before taxes	377.9	– 48.5	255.0

In the Group functions segment, operating expenses dropped by 15.1 per cent to €67.9 million (2020: €80.0 million).

Net investment income increased to €606.8 million (2020: €96.2 million).

Earnings before taxes increased to €377.9 million in the 2021 financial year (2020: €–48.5 million).

Consolidation

Consolidation
In € million

	2021	2020	2019
Net investment income	– 631.9	135.4	– 286.2
Earnings before taxes	– 564.1	193.4	– 232.1

Net investment income in the consolidation segment in 2021 amounted to €–631.9 million (2020: €135.4 million).

Earnings before taxes were €–564.1 million (2020: €193.4 million).

Significant events after the reporting date

The conflict between Ukraine and Russia, which has been going on for several years, escalated at the end of February 2022. UNIQA is represented in Ukraine by two insurance companies and three real estate companies. In Russia, UNIQA holds 75 per cent of a life insurance company (the remaining 25 per cent is held by JSC Raiffeisenbank). Due to the inability as yet to assess this constantly changing situation, it is not possible to make a conclusive assessment of the future effects on UNIQA at the time of preparing the consolidated financial statements. This is a value-impacting event occurring in 2022 after the reporting date so there will be no impact on these consolidated financial statements as at 31 December 2021.

In 2021, the premiums written in Ukraine amounted to around €110 million and in Russia to around €75 million – a total therefore of around 3 per cent of UNIQA's total premiums written. The assets attributable to the insurance companies in Ukraine amount to around €140 million as at 31 December 2021, around €90 million of which are investments. The real estate companies in Ukraine had assets of around €20 million at the end of 2021. In Russia, the assets attributable to the share held by UNIQA amount to around €250 million, with around €230 million of this attributable to investments.

Should there be a loss of control over the companies from a consolidation perspective without any consideration being received, there would be a negative effect on the consolidated income statement of the companies in Ukraine of around €95 million as at the end of 2021. The effect on the UNIQA share of the company in Russia would amount to around €43 million as at the end of 2021.

In addition, other Group companies hold investments issued by Ukrainian and Russian issuers. The carrying amount of these investments was around €200 million as at 31 December 2021.

Further developments in the situation are being monitored and appropriate measures will be implemented as necessary to keep the impact on UNIQA to a minimum.

Outlook

Economic outlook

The IMF is currently forecasting economic growth of 3.9 per cent for Austria.

However, any forecast regarding the overall economic development in our markets is currently associated with greater uncertainty than it has been for a long time. The consequences of the war in Ukraine, the pandemic situation, the inflation trend and the associated reaction of the central banks as well as the further development on the international capital markets are all very difficult to assess at the moment.

The ECB is still keeping key interest rates unchanged despite rising inflation. However, the pandemic-related PEPP bond-buying programme will come to an end in the first quarter of 2022. According to the ECB, a temporary growth in inflation is expected, which will return to normal in 2022. Whether this assessment is justified will become clear in the further course of the year.

Business outlook

In contrast to the overall economic environment, we continue to assess the situation in our core technical business as solid. Our insurance business has shown great resilience in the pandemic. Our customers did not waive their insurance coverage despite the economic challenges, meaning that the rate of cancellations remained very moderate for the given conditions. This also makes us optimistic about the premium volume for 2022.

However, due to the conflict in Ukraine triggered by the Russian attack and the related sanctions, we cannot make any meaningful forecast on the business performance in these two countries at present. At Group level, however, this represents less than 3 per cent of premiums written.

The claims expense directly related to Covid-19 has already been fully recognised in 2020 and therefore has no significant impact on the 2022 financial year.

We continued the largest restructuring in our company's history in the past financial year and the programme is already showing evidence of initial successes. However, strict cost discipline and further optimisations remain essential for 2022 in order to stabilise administrative costs despite high investment needs.

In summary, we do not see any significant distortions in our core technical business despite an environment that is very difficult to assess. This means that we expect stable or slightly increasing premiums in 2022 and assume a combined ratio at around the same level as in 2021.

However, we are currently unable to provide a solid assessment of capital market developments and therefore cannot make a stable forecast regarding our net investment income.

The dividend distribution is based on the company's profits. UNIQA plans to distribute 50 to 60 per cent of consolidated profit to shareholders in the form of a dividend.

Information pursuant to Section 243a(1) of the Austrian Commercial Code

1. The share capital of UNIQA Insurance Group AG amounts to €309,000,000 and is comprised of 309,000,000 individual no-par-value bearer shares. €285,356,365 of the share capital was fully paid in cash and €23,643,635 was paid in non-cash contributions. All shares confer the same rights and obligations.

2. A voting trust exists for shareholdings of UNIQA Versicherungsverein Privatstiftung, Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH, Collegialität Versicherungsverein Privatstiftung and RZB Versicherungsbeteiligung GmbH. Reciprocal purchase option rights have been agreed upon.

3. Raiffeisen Bank International AG holds indirectly, via RZB – BLS Holding GmbH and RZB Versicherungsbeteiligung GmbH, a total of 10.87 per cent (allocated in accordance with the Austrian Stock Exchange Act) of the company's share capital; UNIQA Versicherungsverein Privatstiftung holds directly and indirectly through Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH a total of 49.00 per cent (allocated in accordance with the Austrian Stock Exchange Act) of the company's share capital.

4. No shares with special control rights have been issued.

5. The employees who have share capital exercise their voting rights directly.

6. There are no provisions of the Articles of Association or other provisions that go beyond the statutory provisions for appointing Management Board and Supervisory Board members or for modifying the Articles of Association, with the exception of the rule that, when a Supervisory Board member turns 70 years of age, they retire from the Supervisory Board at the end of the next Annual General Meeting.

7. The Management Board is authorised to increase the company's equity capital up to and including 30 June 2024 with the approval of the Supervisory Board by a total of no more than €80,000,000 by issuing up to 80,000,000 no-par-value bearer or registered shares conferring voting rights in exchange for payment in cash or in kind, one time or several times. The Management Board is further authorised until 30 May 2023 to buy back up to 30,900,000 treasury shares (together with

other treasury shares that the company has already acquired and still possesses) through the company and/or through subsidiaries of the company (Section 66 of the Stock Corporation Act). The company held 2,034,739 treasury shares as at 31 December 2021. 1,215,089 treasury shares are held through UNIQA Österreich Versicherungen AG. This share portfolio resulted from the merger in 2016 of BL Syndikat Beteiligungs Gesellschaft m.b.H. as the transferring company, with UNIQA Insurance Group AG as acquiring company (payment of portfolio in UNIQA shares to shareholders of BL Syndikat Beteiligungs Gesellschaft m.b.H.). This share portfolio is not to be included in the highest number of treasury shares.

8. Corresponding agreements with other shareholders of STRABAG SE are in place concerning the holding in this company.

9. No reimbursement agreements exist for the event of a public takeover offer.

Information pursuant to Section 243a(2) of the Austrian Commercial Code

The internal control and risk management system at UNIQA Insurance Group AG is comprised of transparent systems that encompass all company activities and include a systematic and permanent approach, based on a defined risk strategy, with the following elements: identification, analysis, measurement, management, documentation and communication of risks, as well as the monitoring of these activities. The scope and orientation of these systems were designed on the basis of company-specific requirements. Despite creating appropriate frameworks, there is always a certain residual risk because even appropriate and functional systems cannot guarantee absolute security with regard to the identification and management of risks.

Objectives:

a) Identification and measurement of risks that could obstruct the goal of producing (consolidated) financial statements that comply with regulations

b) Limiting recognised risks, for example by consulting with external specialists

c) Review of external risks with regard to their influence on the consolidated financial statements and the corresponding reporting of these risks

The aim of the internal control system in the accounting process is to guarantee sufficient security by means of implementing controls so that, despite identified risks, proper financial statements are prepared. Along with the risks described in the Risk Report, the risk management system also analyses additional risks within internal business processes, compliance, internal reporting, etc.

Organisational structure and control environment

The company's accounting process is incorporated into the UNIQA Group accounting process. In addition to the SAP S/4HANA accounting system, a harmonised insurance-specific IT system is also used for the company's purposes. Compliance guidelines and manuals for company organisation, accounting and consolidation exist for the purpose of guaranteeing secure processes.

Identification and control of risks

An inventory and appropriate control measures were conducted to identify existing risks. The type of controls was defined in the guidelines and instructions and coordinated with the existing authorisation concept.

The controls include both manual coordination and comparison routines, as well as the acceptance of system configurations for connected IT systems. New risks and control weaknesses in the accounting process are quickly reported to management so that it can undertake corrective measures. The procedure for the identification and control of risks is evaluated on a regular basis by an external independent auditor.

Information and communication

Deviations from expected results and evaluations are monitored by means of monthly reports and key figures, and they form the foundation of information provided to management on an ongoing basis. The management review that is based on this information, and the approval of the processed data, form the foundation of further treatment in the company's financial statements.

Measures to ensure effectiveness

Rather than being made up of static systems, the internal control and risk management system is adjusted on an ongoing basis to changing requirements and the business environment. The identification of the necessity of changes requires constant monitoring of the effectiveness of all systems. The foundations for this are:

a) Regular self-evaluations by the persons tasked with controls

b) Evaluations of key data to validate transaction results in relation to indications that suggest control deficiencies

c) Random tests of effectiveness by the Internal Audit department and comprehensive efficacy tests by the Internal Audit department and/or special teams

Reporting to the Supervisory Board/Audit Committee

In the context of compliance and internal control and risk management systems, the Management Board reports regularly to the Supervisory Board and the Audit Committee by means of Internal Audit department reports and the separate engagement of external auditors.

Proposed appropriation of profit

The separate financial statements of UNIQA Insurance Group AG, prepared in accordance with the Austrian Commercial Code (UGB) and the Insurance Supervision Act (VAG), show a net profit of €171,031,286.15 for the 2021 financial year (2020: €55,722,592.34). The Management Board will propose to the Annual General Meeting on 23 May 2022 that this net profit be used for a dividend of 55 cents for each of the 309,000,000 dividend-entitled no-par-value shares issued as at the reporting date and the remaining amount carried forward to a new account.

Vienna, 9 March 2022

Andreas Brandstetter
Chairman of the
Management Board

Peter Eichler
Member of the
Management Board

Wolf-Christoph Gerlach
Member of the
Management Board

Peter Humer
Member of the
Management Board

Wolfgang Kindl
Member of the
Management Board

René Knapp
Member of the
Management Board

Erik Leyers
Member of the
Management Board

Klaus Pekarek
Member of the
Management Board

Kurt Svoboda
Member of the
Management Board

Consolidated Financial Statements

Consolidated Statement of Financial Position at 31 December 2021

Assets
In € thousand

	Notes	31/12/2021	31/12/2020
Property, plant and equipment	12	365,493	364,739
Deferred acquisition costs and value of business in force	10	1,462,087	1,451,149
Intangible assets	11	712,287	647,619
Investments			
Investment property	1	1,241,860	1,219,213
Financial assets accounted for using the equity method	2	656,393	677,921
Other investments	3	19,886,724	20,422,107
Unit-linked and index-linked life insurance investments	3	5,154,053	5,218,124
Reinsurers' share of technical provisions	5	591,671	514,268
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	6	0	131
Receivables, including insurance receivables	13	714,823	684,249
Income tax receivables	15	84,900	59,130
Deferred tax assets	16	84,909	8,594
Cash	14	592,583	640,713
Total assets		**31,547,783**	**31,907,957**

Equity and liabilities
In € thousand

	Notes	31/12/2021	31/12/2020
Equity			
Portion attributable to shareholders of UNIQA Insurance Group AG			
Subscribed capital and capital reserves	21	1,789,923	1,789,923
Treasury shares	22	–16,614	–16,614
Accumulated results		1,530,299	1,676,762
		3,303,609	**3,450,072**
Non-controlling interests	**24**	**19,678**	**24,760**
		3,323,286	**3,474,832**
Liabilities			
Subordinated liabilities	25	1,057,559	1,069,920
Technical provisions	5	19,174,105	19,195,742
Technical provisions for unit-linked and index-linked life insurance	6	5,028,507	5,115,506
Financial liabilities	26	723,317	693,566
Other provisions	17, 19	726,270	847,235
Liabilities and other items classified as liabilities	27	1,017,197	994,221
Income tax liabilities	15	115,393	93,051
Deferred tax liabilities	16	382,149	423,884
		28,224,497	**28,433,125**
Total equity and liabilities		**31,547,783**	**31,907,957**

Consolidated Income Statement from 1 January until 31 December 2021

In € thousand

	Notes	1–12/2021	1–12/2020
Premiums earned (net)	7		
Gross		5,997,224	5,231,531
Reinsurers' share		–299,652	–201,992
		5,697,572	**5,029,539**
Technical interest income		**318,949**	**322,125**
Other insurance income			
Gross		27,973	41,302
Reinsurers' share		308	368
		28,281	**41,669**
Insurance benefits	8		
Gross		–4,365,526	–3,819,752
Reinsurers' share		261,323	125,174
		–4,104,204	**–3,694,579**
Operating expenses	9		
Expenses for the acquisition of insurance		–1,052,751	–953,377
Other operating expenses		–619,362	–631,546
Reinsurance commission and share of profit from reinsurance ceded		23,586	18,524
		–1,648,527	**–1,566,399**
Other technical expenses			
Gross		–79,555	–49,830
Reinsurers' share		–3,319	–4,232
		–82,874	**–54,061**
Technical result		**209,197**	**78,295**
Net investment income	4		
Income from investments		835,058	773,686
Expenses from investments		–268,193	–333,965
Financial assets accounted for using the equity method		81,087	65,689
		647,951	**505,409**
Other income	28	**300,381**	**216,548**
Reclassification of technical interest income		**–318,949**	**–322,125**
Other expenses	29	**–250,619**	**–230,497**
Non-technical result		**378,765**	**169,335**
Operating profit/(loss)		**587,962**	**247,631**
Amortisation of VBI and impairment of goodwill	10, 11	**–70,911**	**–125,817**
Finance cost		**–134,762**	**–64,758**
Earnings before taxes		**382,289**	**57,056**
Income taxes	15	**–64,385**	**–32,775**
Profit/(loss) for the period		**317,904**	**24,281**
of which attributable to shareholders of UNIQA Insurance Group AG		314,696	19,405
of which attributable to non-controlling interests		3,207	4,876
Earnings per share (in €)[1)]		**1.03**	**0.06**
Average number of shares in circulation		**306,965,261**	**306,965,261**

1) Diluted earnings per share equate to undiluted earnings per share. This is calculated on the basis of the consolidated profit/(loss).

Consolidated Statement of Comprehensive Income from 1 January until 31 December 2021

In € thousand

	1–12/2021	1–12/2020
Profit/(loss) for the period	**317,904**	**24,281**
Items not reclassified to profit or loss in subsequent periods		
Remeasurement of defined benefit obligations		
Gains (losses) recognised in equity	64,906	–35,708
Gains (losses) recognised in equity – deferred tax	–16,225	8,913
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	–1,566	–5,188
	47,115	**–31,983**
Items reclassified to profit or loss in subsequent periods		
Currency translation		
Gains (losses) recognised in equity	33,957	–48,135
Recognised in the consolidated income statement	–7,100	0
Measurement of financial instruments available for sale		
Gains (losses) recognised in equity	–1,018,659	632,111
Gains (losses) recognised in equity – deferred tax	95,149	–68,467
Gains (losses) recognised in equity – deferred profit participation	506,472	–339,329
Recognised in the consolidated income statement	–142,878	–68,659
Recognised in the consolidated income statement – deferred tax	8,601	9,498
Recognised in the consolidated income statement – deferred profit participation	72,821	36,260
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	8,836	–10,004
	–442,801	**143,275**
Other comprehensive income	**–395,686**	**111,292**
Total comprehensive income	**–77,783**	**135,573**
of which attributable to shareholders of UNIQA Insurance Group AG	–76,808	134,805
of which attributable to non-controlling interests	–975	768

Consolidated Statement of Cash Flows from 1 January until 31 December 2021

In € thousand

	Notes	1–12/2021	1–12/2020
Profit/(loss) for the period		317,904	24,281
Amortisation of VBI, impairment of goodwill and other intangible assets, and depreciation of property, plant and equipment		148,193	191,812
Impairment losses/reversal of impairment losses on other investments		56,902	132,409
Gain/loss on the disposal of investments		–36,925	–40,089
Change in deferred acquisition costs		–63,111	7,592
Change in securities at fair value through profit or loss		–30,576	45,408
Change in direct insurance receivables		8,127	8,542
Change in other receivables		–59,309	–6,437
Change in direct insurance liabilities		–18,788	–56,653
Change in other liabilities		65,952	22,250
Change in technical provisions		393,384	–208,442
Change in defined benefit obligations		–36,657	208
Change in deferred tax assets and deferred tax liabilities		–34,583	–5,936
Change in other statement of financial position items		15,570	52,963
Net cash flow from operating activities		**726,084**	**167,908**
Proceeds from disposal of intangible assets and property, plant and equipment		25,352	13,712
Payments for acquisition of intangible assets and property, plant and equipment		–173,070	–122,625
Proceeds from disposal of consolidated companies		1,440	587
Net payments for acquisition of consolidated companies		–38,917	–967,128
Proceeds from disposal and maturity of other investments		3,334,346	3,466,661
Payments for acquisition of other investments		–3,866,428	–3,447,712
Change in unit-linked and index-linked life insurance investments		64,070	341,815
Net cash flow from investing activities		**–653,207**	**–714,690**
Dividend payments	21	–58,578	–56,658
Transactions between owners		–11,818	–577
Proceeds from other financing activities		370,323	792,871
Payments from other financing activities	26	–427,860	–22,815
Net cash flow from financing activities		**–127,933**	**712,821**
Change in cash and cash equivalents		**–55,057**	**166,039**
of which due to acquisitions of consolidated subsidiaries		1,259	31,202
Change in cash and cash equivalents due to movements in exchange rates		6,927	–4,948
Cash and cash equivalents at beginning of year	14	640,713	479,621
Cash and cash equivalents at end of period	**14**	**592,583**	**640,713**
Income taxes paid (Net cash flow from operating activities)		–102,334	–33,371
Interest paid (Net cash flow from operating activities)		–151,136	–65,202
Interest received (Net cash flow from operating activities)		375,223	386,059
Dividends received (Net cash flow from operating activities)		147,558	43,544

Consolidated Statement of Changes in Equity

In € thousand	Notes	Subscribed capital and capital reserves	Treasury shares	Accumulated	
				Measurement of financial instruments available for sale	Remeasurement of defined benefit obligations
At 1 January 2020		**1,789,923**	**−16,614**	**633,372**	**−314,860**
Change in basis of consolidation					
Dividends to shareholders					
Total comprehensive income				**200,033**	**−26,847**
Profit/(loss) for the period					
Other comprehensive income				200,033	−26,847
At 31 December 2020		**1,789,923**	**−16,614**	**833,405**	**−341,707**
At 1 January 2021		**1,789,923**	**−16,614**	**833,405**	**−341,707**
Change in basis of consolidation					
Dividends to shareholders	21				
Total comprehensive income				**−473,385**	**48,526**
Profit/(loss) for the period					
Other comprehensive income				−473,385	48,526
At 31 December 2021		**1,789,923**	**−16,614**	**360,020**	**−293,180**

results

Differences from currency translation	Other accumulated results	Portion attributable to shareholders of UNIQA Insurance Group AG	Non-controlling interests	Total equity
−170,286	**1,446,185**	**3,367,720**	**19,399**	**3,387,119**
	2,801	2,801	5,998	8,799
	−55,254	−55,254	−1,405	−56,658
−42,596	**4,214**	**134,805**	**768**	**135,573**
	19,405	19,405	4,875	24,281
−42,596	−15,192	115,399	−4,107	111,292
−212,882	**1,397,946**	**3,450,072**	**24,760**	**3,474,832**
−212,882	**1,397,946**	**3,450,072**	**24,760**	**3,474,832**
	−14,402	−14,402	−784	−15,185
	−55,254	−55,254	−3,324	−58,578
26,085	**321,966**	**−76,808**	**−975**	**−77,783**
	314,696	314,696	3,207	317,904
26,085	7,270	−391,504	−4,182	−395,686
−186,797	**1,650,257**	**3,303,609**	**19,678**	**3,323,286**

Notes to the Consolidated Financial Statements

GENERAL INFORMATION

UNIQA Insurance Group AG (UNIQA) is a company domiciled in Austria. The address of the company's registered office is Untere Donaustrasse 21, 1029 Vienna, Austria. The Group primarily conducts business with property and casualty, as well as health and life insurance.

UNIQA Insurance Group AG is registered in the company registry of the Commercial Court of Vienna under FN 92933t. The shares of UNIQA Insurance Group AG are listed on the prime market segment of the Vienna Stock Exchange.

UNIQA Insurance Group AG is subject to the regulatory requirements of European and Austrian supervisory authorities (Financial Market Authority, European Insurance and Occupational Pensions Authority). The requirements include in particular the quantitative and qualitative solvency requirements.

Unless otherwise stated, these consolidated financial statements are prepared in thousand euros; rounding differences may occur through the use of automated calculation tools when totalling rounded amounts and percentages. The functional currency at UNIQA is the euro.

UNIQA's reporting date is 31 December.

Accounting principles

The consolidated financial statements were prepared in line with the International Financial Reporting Standards (IFRSs) as well as the provisions of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU) as at the reporting date. The additional requirements of Section 245a(1) of the Austrian Commercial Code and Section 138(8) of the Austrian Insurance Supervision Act were met.

Use of discretionary decisions and estimates

The consolidated financial statements require the Group Management Board to make discretionary decisions, estimates and assumptions that relate to the application of accounting policies and the amounts stated for the assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recorded prospectively.

Discretionary judgements and assumptions regarding the future which could have a significant impact on these consolidated financial statements are described in the following notes:

Note 1: Investment property (assumptions used in determining fair values)

Note 2: Financial assets accounted for using the equity method (assumptions and models used in STRABAG SE's earnings estimates)

Note 3: Other investments and unit-linked and index-linked life insurance investments (determination of fair values)

Note 5 and Note 44: Technical provisions (assumptions and models used in calculating actuarial provisions)

Note 11: Intangible assets (assumptions used in determining goodwill)

Note 16: Deferred taxes (assessment of the ability to realise deferred tax assets)

Note 17: Defined benefit plans (calculation of the present value of the defined benefit obligations)

The following table provides a summary of the measurement standards for the individual balance sheet items in the assets and liabilities:

Balance sheet item	Standard of measurement
Assets	
Property, plant and equipment	Amortised cost
Intangible assets	
- with determinable useful life	Amortised cost
- with indeterminable useful life	At lower of acquisition cost or recoverable amount
Investments	
Investment property	Amortised cost
Financial assets accounted for using the equity method	At lower of amortised pro-rata value of the equity or recoverable amount
Other investments	
- Financial assets at fair value through profit or loss	Fair value
- Financial assets held for sale	Fair value
- Loans and receivables	Amortised cost
Unit-linked and index-linked life insurance investments	Fair value
Reinsurers' share of technical provisions	As per the measurement of technical provisions
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	As per the measurement of technical provisions
Receivables, including insurance receivables	Amortised cost
Income tax receivables	At the amount of any expected claims to the tax authorities, based on the tax rates applicable on the reporting date or in the near future
Deferred tax assets	Undiscounted measurement applying the tax rates that are expected for the period in which an asset is realised or a liability met
Cash	Amortised cost
Assets in disposal groups held for sale	Lower of carrying amount and fair value less cost to sell
Liabilities	
Subordinated liabilities	Amortised cost
Technical provisions	Property insurance: provisions for losses and unsettled claims (undiscounted value of expected future payment obligations) Life and health insurance: insurance provision in accordance with actuarial calculation principles (discounted value of expected future benefits less premiums)
Technical provisions for unit-linked and index-linked life insurance	Insurance provision based on the change in value of the contributions assessed
Financial liabilities	
- Liabilities from loans	Amortised cost
- Derivative financial instruments	Fair value
Other provisions	
- from defined benefit obligations	Actuarial measurement applying the projected benefit obligation method
- other	Present value of future settlement value
Liabilities and other items classified as liabilities	Amortised cost
Income tax liabilities	At the amount of any obligations to the tax authorities, based on the tax rates applicable on the reporting date or in the near future
Deferred tax liabilities	Undiscounted measurement applying the tax rates that are expected for the period in which an asset is realised or a liability met

SEGMENT REPORTING

The accounting and measurement methods of the segments that are subject to mandatory reporting correspond with the consolidated accounting and measurement methods. The earnings before taxes for the segments were determined taking the following components into consideration: summation of the IFRS profits in the individual companies, taking the elimination of net investment income in the various segments and impairment of goodwill into consideration. All other consolidation effects (profit/(loss) for the period at associates, elimination of interim results, and other overall effects) are included in "Consolidation". The segment profit/(loss) obtained in this manner is reported to the Management Board of UNIQA Insurance Group AG to manage the Group in the following operating segments:

UNIQA Austria – includes the Austrian insurance business.

UNIQA International – includes all international primary insurance companies and international service companies as well as investment management companies and pension funds. This segment is divided on a regional basis into the following main areas:

- Central Europe (CE – Poland, Slovakia, the Czech Republic and Hungary)
- Eastern Europe (EE – Romania and Ukraine)
- Russia (RU)
- Southeastern Europe (SEE – Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Montenegro, North Macedonia and Serbia)
- Western Europe (WE – Liechtenstein and Switzerland)
- Administration

Reinsurance – includes UNIQA Re AG (Zurich, Switzerland) and the reinsurance business of UNIQA Insurance Group AG.

Group functions – includes the remaining items for UNIQA Insurance Group AG (net investment income and administrative costs) as well as all other remaining Austrian and international service companies.

Operating segments

In € thousand	UNIQA Austria 1–12/2021	UNIQA Austria 1–12/2020	UNIQA International 1–12/2021	UNIQA International 1–12/2020	Reinsurance 1–12/2021	Reinsurance 1–12/2020
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	3,916,574	3,837,500	2,423,271	1,705,441	1,469,540	1,162,667
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	3,113,292	3,076,677	1,671,286	1,200,485	1,229,245	1,056,076
Savings portions from unit-linked and index-linked life insurance (gross)	213,210	207,018	111,385	97,104	0	0
Savings portions from unit-linked and index-linked life insurance (net)	213,210	207,018	111,385	97,104	0	0
Premiums written (gross)	3,703,364	3,630,482	2,311,886	1,608,337	1,469,540	1,162,667
Premiums earned (net)	2,900,082	2,869,659	1,559,901	1,103,382	1,229,245	1,056,076
Premiums earned (net) – intragroup	−766,653	−727,578	−565,542	−369,557	1,323,851	1,096,712
Premiums earned (net) – external	3,666,735	3,597,237	2,125,442	1,472,938	−94,605	−40,636
Technical interest income	289,740	294,250	29,209	27,875	0	0
Other insurance income	5,080	4,977	33,398	26,636	266	7,606
Insurance benefits	−2,442,288	−2,383,735	−874,992	−608,096	−787,981	−700,605
Operating expenses	−622,244	−719,347	−592,734	−466,354	−359,815	−310,966
Other technical expenses	−20,688	−13,405	−54,732	−42,579	−16,633	−14,801
Technical result	**109,682**	**52,399**	**100,050**	**40,864**	**65,083**	**37,311**
Net investment income	567,298	160,801	72,030	106,084	33,708	6,899
Income from investments	560,659	486,190	108,249	132,427	44,757	37,579
Expenses from investments	−91,965	−338,250	−36,491	−26,599	−11,049	−30,680
Financial assets accounted for using the equity method	98,604	12,861	272	256	0	0
Other income	2,921	1,592	146,385	46,161	4,198	18,013
Reclassification of technical interest income	−289,740	−294,250	−29,209	−27,875	0	0
Other expenses	−11,144	−9,527	−81,462	−63,793	−4,462	−1,031
Non-technical result	**269,336**	**−141,384**	**107,745**	**60,577**	**33,443**	**23,881**
Operating profit/(loss)	**379,017**	**−88,985**	**207,795**	**101,441**	**98,526**	**61,192**
Amortisation of VBI and impairment of goodwill	−1,786	−1,786	−69,125	−123,947	0	0
Finance cost	−38,016	−28,287	−4,995	−4,530	−2,901	−2,901
Earnings before taxes	**339,215**	**−119,058**	**133,674**	**−27,036**	**95,625**	**58,291**
Combined ratio (property and casualty insurance, after reinsurance)[1]	91.7%	98.7%	92.9%	93.3%	93.8%	95.8%
Cost ratio (after reinsurance)[2]	20.0%	23.4%	35.5%	38.8%	29.3%	29.4%

Impairment by segment

In € thousand	UNIQA Austria 1–12/2021	UNIQA Austria 1–12/2020	UNIQA International 1–12/2021	UNIQA International 1–12/2020	Reinsurance 1–12/2021	Reinsurance 1–12/2020
Goodwill						
Impairments	0	0	−12,100	−105,752	0	0
Investments						
Impairments	−1,939	−19,627	0	−1,200	0	0
Reversal of impairment losses	0	51	129	0	0	0

[1] Total of operating expenses and insurance benefits divided by the (net) premiums earned in property and casualty insurance.
[2] Ratio of total operating expenses (net of reinsurance commissions received and share of profit from reinsurance ceded) to consolidated premiums earned (including savings portions of unit-linked and index-linked life insurance).

	Group functions		Consolidation		Group	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
	0	0	–1,451,386	–1,140,262	6,358,000	5,565,346
	0	0	8,344	423	6,022,167	5,333,662
	0	0	0	0	324,595	304,122
	0	0	0	0	324,595	304,122
	0	0	–1,451,386	–1,140,262	6,033,405	5,261,224
	0	0	8,344	423	5,697,572	5,029,539
	0	0	8,344	423	0	0
	0	0	0	0	5,697,572	5,029,539
	0	0	0	0	318,949	322,125
	373	13,288	–10,836	–10,839	28,281	41,669
	4,892	2,318	–3,835	–4,461	–4,104,204	–3,694,579
	–67,932	–80,049	–5,802	10,316	–1,648,527	–1,566,399
	–7,311	–163	16,491	16,887	–82,874	–54,061
	–69,978	**–64,606**	**4,361**	**12,327**	**209,197**	**78,295**
	606,776	96,202	–631,860	135,424	647,951	505,409
	752,040	321,071	–630,647	–203,581	835,058	773,686
	–156,274	–225,227	27,585	286,791	–268,193	–333,965
	11,009	358	–28,798	52,213	81,087	65,689
	188,868	180,237	–41,991	–29,455	300,381	216,548
	0	0	0	0	–318,949	–322,125
	–192,040	–184,942	38,489	28,796	–250,619	–230,497
	603,603	**91,498**	**–635,362**	**134,764**	**378,765**	**169,335**
	533,625	**26,892**	**–631,001**	**147,091**	**587,962**	**247,631**
	0	0	0	–84	–70,911	–125,817
	–155,772	–75,428	66,923	46,389	–134,762	–64,758
	377,853	**–48,537**	**–564,078**	**193,396**	**382,289**	**57,056**
	n/a	n/a	n/a	n/a	93.7%	97.8%
	n/a	n/a	n/a	n/a	27.4%	29.4%

	Group functions		Consolidation		Group	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
	0	0	0	0	–12,100	–105,752
	–15,845	–49,943	0	0	–17,784	–70,770
	0	0	0	0	129	51

Classified by business line

Property and casualty insurance
In € thousand

	UNIQA Austria		UNIQA International		Reinsurance	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Premiums written (gross)	1,857,585	1,796,102	1,618,657	1,192,585	1,425,000	1,125,744
Premiums earned (net)	1,086,677	1,066,070	902,411	702,548	1,206,962	1,039,922
Technical interest income	0	0	0	789	0	0
Other insurance income	3,069	2,923	12,901	7,529	237	7,581
Insurance benefits	–684,823	–698,649	–505,832	–386,161	–775,000	–687,026
Operating expenses	–311,854	–353,673	–332,185	–269,392	–356,610	–309,509
Other technical expenses	–13,377	–7,612	–45,434	–36,442	–13,718	–11,748
Technical result	**79,692**	**9,059**	**31,861**	**18,871**	**61,871**	**39,220**
Net investment income	132,858	–196,135	34,829	34,234	28,904	1,651
Income from investments	162,308	84,348	49,471	48,615	39,953	32,331
Expenses from investments	–31,007	–280,686	–14,915	–14,637	–11,049	–30,680
Financial assets accounted for using the equity method	1,556	203	272	256	0	0
Other income	2,237	1,355	17,058	18,302	4,019	18,011
Reclassification of technical interest income	0	0	0	–789	0	0
Other expenses	–10,284	–8,344	–19,572	–15,503	–4,259	–929
Non-technical result	**124,812**	**–203,124**	**32,314**	**36,245**	**28,665**	**18,733**
Operating profit/(loss)	**204,504**	**–194,065**	**64,175**	**55,116**	**90,536**	**57,953**
Amortisation of VBI and impairment of goodwill	0	0	–23,365	–87,947	0	0
Finance cost	–13,218	–3,220	–4,606	–4,374	–2,901	–2,901
Earnings before taxes	**191,286**	**–197,285**	**36,204**	**–37,205**	**87,635**	**55,052**

Health insurance
In € thousand

	UNIQA Austria		UNIQA International		Reinsurance	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Premiums written (gross)	1,120,480	1,089,620	105,978	77,936	8,729	6,795
Premiums earned (net)	1,111,095	1,082,685	93,402	74,409	8,460	6,420
Technical interest income	91,100	88,746	2	2	0	0
Other insurance income	1,726	1,455	218	143	0	0
Insurance benefits	–947,665	–916,935	–49,879	–42,177	–4,919	–6,056
Operating expenses	–151,080	–176,857	–36,119	–27,362	–197	–249
Other technical expenses	–1,433	–227	–616	–433	0	0
Technical result	**103,743**	**78,867**	**7,007**	**4,581**	**3,344**	**115**
Net investment income	111,968	95,073	163	30	0	0
Income from investments	102,578	120,805	223	254	0	0
Expenses from investments	–31,745	–31,097	–61	–224	0	0
Financial assets accounted for using the equity method	41,134	5,365	0	0	0	0
Other income	551	127	3,691	3,278	52	0
Reclassification of technical interest income	–91,100	–88,746	–2	–2	0	0
Other expenses	–696	–749	–3,715	–3,415	–159	–14
Non-technical result	**20,722**	**5,705**	**138**	**–110**	**–107**	**–14**
Operating profit/(loss)	**124,466**	**84,573**	**7,145**	**4,471**	**3,237**	**102**
Amortisation of VBI and impairment of goodwill	0	0	–172	0	0	0
Finance cost	190	0	–4	0	0	0
Earnings before taxes	**124,656**	**84,573**	**6,969**	**4,471**	**3,237**	**102**

Group functions		Consolidation		Group	
1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
0	0	–1,411,709	–1,104,104	3,489,533	3,010,327
0	0	7,814	414	3,203,865	2,808,954
0	0	0	0	0	789
308	13,253	–5,404	–2,450	11,111	28,836
0	153	532	–3,436	–1,965,123	–1,775,119
–31,873	–42,022	–5,240	3,872	–1,037,763	–970,724
–7,204	–868	11,579	11,618	–68,153	–45,053
–38,769	**–29,485**	**9,282**	**10,017**	**143,937**	**47,683**
467,151	40,683	–528,547	149,113	135,195	29,547
561,625	182,732	–545,387	–127,167	267,971	220,859
–96,031	–141,175	8,523	265,340	–144,478	–201,837
1,557	–874	8,318	10,940	11,703	10,525
6,568	8,537	382	481	30,264	46,685
0	0	0	0	0	–789
–10,138	–11,066	99	–2,676	–44,153	–38,518
463,581	**38,153**	**–528,065**	**146,918**	**121,306**	**36,925**
424,812	**8,669**	**–518,784**	**156,935**	**265,243**	**84,607**
0	0	0	–82	–23,365	–88,029
–141,541	–67,437	27,734	13,414	–134,532	–64,519
283,271	**–58,769**	**–491,049**	**170,266**	**107,347**	**–67,941**

Group functions		Consolidation		Group	
1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
0	0	–8,729	–6,796	1,226,458	1,167,554
0	0	305	99	1,213,262	1,163,614
0	0	0	0	91,102	88,747
0	0	0	–1	1,944	1,597
4,892	2,165	–156	–53	–997,727	–963,056
–19,237	–20,486	9	–12	–206,624	–224,966
–66	390	0	0	–2,115	–270
–14,411	**–17,931**	**158**	**33**	**99,841**	**65,666**
88,840	28,468	–37,847	–19,029	163,124	104,542
116,721	83,032	–25,769	–42,871	193,754	161,220
–27,881	–54,564	2,258	7,901	–57,429	–77,985
0	0	–14,336	15,941	26,799	21,307
181,145	168,409	–29,538	–27,121	155,902	144,693
0	0	0	0	–91,102	–88,747
–179,839	–169,985	29,655	27,606	–154,754	–146,556
90,147	**26,893**	**–37,730**	**–18,543**	**73,170**	**13,931**
75,736	**8,962**	**–37,572**	**–18,510**	**173,011**	**79,597**
0	0	0	0	–172	0
–42	–65	1	0	146	–66
75,695	**8,896**	**–37,572**	**–18,510**	**172,985**	**79,531**

Life insurance
In € thousand

	UNIQA Austria		UNIQA International		Reinsurance	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	938,508	951,778	698,637	434,921	35,811	30,128
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	915,520	927,921	675,472	423,528	13,824	9,734
Savings portions from unit-linked and index-linked life insurance (gross)	213,210	207,018	111,385	97,104	0	0
Savings portions from unit-linked and index-linked life insurance (net)	213,210	207,018	111,385	97,104	0	0
Premiums written (gross)	725,299	744,760	587,252	337,817	35,811	30,128
Premiums earned (net)	702,311	720,903	564,087	326,424	13,824	9,734
Technical interest income	198,639	205,504	29,207	27,084	0	0
Other insurance income	285	599	20,280	18,964	29	25
Insurance benefits	–809,800	–768,151	–319,281	–179,758	–8,062	–7,523
Operating expenses	–159,310	–188,817	–224,430	–169,599	–3,008	–1,208
Other technical expenses	–5,879	–5,566	–8,682	–5,704	–2,915	–3,053
Technical result	**–73,754**	**–35,527**	**61,182**	**17,412**	**–133**	**–2,025**
Net investment income	322,472	261,862	37,039	71,820	4,804	5,248
Income from investments	295,772	281,036	58,554	83,558	4,804	5,248
Expenses from investments	–29,213	–26,467	–21,516	–11,738	0	0
Financial assets accounted for using the equity method	55,913	7,293	0	0	0	0
Other income	133	111	125,636	24,581	126	2
Reclassification of technical interest income	–198,639	–205,504	–29,207	–27,084	0	0
Other expenses	–164	–435	–58,175	–44,875	–44	–88
Non-technical result	**123,802**	**56,034**	**75,293**	**24,442**	**4,886**	**5,162**
Operating profit/(loss)	**50,048**	**20,507**	**136,475**	**41,854**	**4,753**	**3,137**
Amortisation of VBI and impairment of goodwill	–1,786	–1,786	–45,589	–36,000	0	0
Finance cost	–24,988	–25,067	–385	–155	0	0
Earnings before taxes	**23,274**	**–6,346**	**90,501**	**5,698**	**4,753**	**3,137**

	Group functions		Consolidation		Group	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
	0	0	−30,947	−29,363	1,642,009	1,387,465
	0	0	225	−89	1,605,041	1,361,094
	0	0	0	0	324,595	304,122
	0	0	0	0	324,595	304,122
	0	0	−30,947	−29,363	1,317,414	1,083,343
	0	0	225	−89	1,280,446	1,056,972
	0	0	0	0	227,846	232,589
	65	35	−5,432	−8,387	15,227	11,237
	0	0	−4,212	−972	−1,141,354	−956,404
	−16,822	−17,541	−571	6,457	−404,140	−370,708
	−41	315	4,911	5,269	−12,606	−8,739
	−16,798	**−17,190**	**−5,078**	**2,277**	**−34,581**	**−35,053**
	50,784	27,050	−65,467	5,340	349,632	371,321
	73,694	55,306	−59,491	−33,542	373,333	391,606
	−32,362	−29,489	16,805	13,550	−66,286	−54,143
	9,453	1,233	−22,781	25,332	42,585	33,858
	1,154	3,292	−12,834	−2,816	114,215	25,171
	0	0	0	0	−227,846	−232,589
	−2,063	−3,891	8,735	3,866	−51,711	−45,423
	49,875	**26,452**	**−69,567**	**6,390**	**184,289**	**118,479**
	33,077	**9,261**	**−74,645**	**8,667**	**149,708**	**83,426**
	0	0	0	−1	−47,375	−37,787
	−14,190	−7,926	39,188	32,975	−376	−173
	18,887	**1,336**	**−35,457**	**41,640**	**101,957**	**45,466**

UNIQA International – classified by region

In € thousand	Premiums earned (net) 1–12/2021	Premiums earned (net) 1–12/2020	Net investment income 1–12/2021	Net investment income 1–12/2020
Poland	523,996	264,324	13,186	15,551
Slovakia	198,978	89,735	4,864	3,197
Czech Republic	300,437	246,685	5,773	7,754
Hungary	75,562	73,985	4,283	6,023
Central Europe (CE)	**1,098,972**	**674,728**	**28,107**	**32,525**
Romania	59,567	53,743	4,936	4,901
Ukraine	93,072	84,936	4,876	10,598
Eastern Europe (EE)	**152,639**	**138,679**	**9,813**	**15,499**
Russia	72,301	70,253	16,379	37,525
Russia (RU)	**72,301**	**70,253**	**16,379**	**37,525**
Albania	36,372	31,367	328	661
Bosnia and Herzegovina	31,900	27,670	2,457	2,481
Bulgaria	37,318	37,058	1,683	1,065
Kosovo	13,816	11,541	284	271
Croatia	49,940	49,241	7,744	11,696
Montenegro	10,379	10,241	718	684
North Macedonia	17,379	14,360	351	342
Serbia	37,350	37,036	4,063	3,958
Southeastern Europe (SEE)	**234,454**	**218,515**	**17,628**	**21,158**
Liechtenstein	1,535	1,206	132	64
Switzerland	0	0	–29	–31
Western Europe (WE)	**1,535**	**1,206**	**103**	**33**
Austria	0	0	0	–655
Administration	**0**	**0**	**0**	**–655**
UNIQA International	**1,559,901**	**1,103,382**	**72,030**	**106,084**
Of which:				
Earnings before taxes insurance companies				
Impairment of goodwill				

Insurance benefits		Operating expenses		Earnings before taxes	
1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
−308,561	−162,139	−191,064	−112,662	20,084	4,184
−106,807	−45,321	−61,566	−41,405	56,181	5,364
−171,824	−144,319	−96,006	−72,298	40,260	33,325
−20,574	−20,733	−33,052	−30,571	5,859	8,632
−607,767	**−372,512**	**−381,689**	**−256,935**	**122,384**	**51,506**
−28,572	−29,598	−27,795	−24,954	5,043	−58,218
−45,473	−34,116	−42,780	−44,386	10,519	14,166
−74,046	**−63,714**	**−70,575**	**−69,339**	**15,562**	**−44,052**
−61,716	−54,919	−12,179	−13,394	15,651	20,178
−61,716	**−54,919**	**−12,179**	**−13,394**	**15,651**	**20,178**
−15,792	−10,971	−17,007	−14,640	3,928	244
−20,012	−16,834	−12,828	−11,345	1,464	1,683
−18,451	−12,387	−17,106	−20,960	−8,375	−14,855
−8,556	−7,152	−4,490	−4,712	1,006	100
−30,965	−34,289	−22,436	−21,007	3,156	1,813
−4,820	−5,060	−4,741	−4,657	1,141	965
−8,736	−6,721	−8,551	−7,304	475	581
−23,336	−22,222	−17,236	−16,841	229	−20,232
−130,667	**−115,638**	**−104,395**	**−101,467**	**3,025**	**−29,701**
−796	−1,313	−1,839	−1,385	−914	−789
0	0	0	0	23	310
−796	**−1,313**	**−1,839**	**−1,385**	**−891**	**−479**
0	0	−22,057	−23,832	−22,057	−24,488
0	**0**	**−22,057**	**−23,832**	**−22,057**	**−24,488**
−874,992	**−608,096**	**−592,734**	**−466,354**	**133,674**	**−27,036**
				155,709	−2,859
				−12,100	−105,752

Consolidated Statement of Financial Position – classified by business line

In € thousand	Property and casualty insurance		Health insurance	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Assets				
Property, plant and equipment	176,900	192,969	59,584	36,906
Deferred acquisition costs and value of business in force	301,272	263,103	319,442	291,608
Intangible assets	533,838	420,406	11,700	3,295
Investments				
Investment property	183,910	196,515	236,456	235,293
Financial assets accounted for using the equity method	89,678	81,270	218,828	230,391
Other investments	5,533,015	5,682,319	3,876,589	3,874,305
Unit-linked and index-linked life insurance investments	0	0	0	0
Reinsurers' share of technical provisions	478,912	389,131	3,023	1,141
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	0	0	0	0
Receivables, including insurance receivables	413,861	483,558	479,347	311,762
Income tax receivables	68,295	46,406	3,029	1,821
Deferred tax assets	71,933	3,693	43	0
Cash	245,926	266,613	73,731	164,526
Total assets by business line	**8,097,539**	**8,025,983**	**5,281,773**	**5,151,047**
Liabilities				
Subordinated liabilities	1,057,559	1,069,920	0	0
Technical provisions	4,374,791	4,122,722	3,815,927	3,623,875
Technical provisions for unit-linked and index-linked life insurance	0	0	0	0
Financial liabilities	683,169	715,976	29,603	29,461
Other provisions	366,912	395,230	315,120	408,517
Liabilities and other items classified as liabilities	485,909	694,209	333,311	241,173
Income tax liabilities	95,246	63,214	5,124	6,598
Deferred tax liabilities	56,276	61,344	151,890	156,837
Total liabilities by business line	**7,119,863**	**7,122,614**	**4,650,976**	**4,466,461**

Life insurance		Consolidation		Group	
31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
129,009	134,863	0	0	365,493	364,739
841,448	896,464	−75	−25	1,462,087	1,451,149
166,749	223,918	0	0	712,287	647,619
821,493	787,405	0	0	1,241,860	1,219,213
347,886	366,260	0	0	656,393	677,921
10,903,753	11,493,995	−426,632	−628,512	19,886,724	20,422,107
5,154,053	5,218,124	0	0	5,154,053	5,218,124
110,505	124,028	−770	−31	591,671	514,268
0	131	0	0	0	131
68,924	208,767	−247,308	−319,837	714,823	684,249
13,576	10,903	0	0	84,900	59,130
12,933	4,901	0	0	84,909	8,594
272,925	209,574	0	0	592,583	640,713
18,843,255	**19,679,332**	**−674,784**	**−948,405**	**31,547,783**	**31,907,957**
419,258	419,258	−419,258	−419,258	1,057,559	1,069,920
10,988,198	11,450,699	−4,812	−1,554	19,174,105	19,195,742
5,028,507	5,115,506	0	0	5,028,507	5,115,506
29,358	91,574	−18,813	−143,444	723,317	693,566
46,379	45,468	−2,141	−1,980	726,270	847,235
427,819	441,129	−229,842	−382,290	1,017,197	994,221
15,023	23,239	0	0	115,393	93,051
173,983	205,703	0	0	382,149	423,884
17,128,525	**17,792,575**	**−674,866**	**−948,525**	**28,224,497**	**28,433,125**
			Consolidated equity and non-controlling interests	**3,323,286**	**3,474,832**
			Total equity and liabilities	**31,547,783**	**31,907,957**

The amounts indicated for each business line have been adjusted to eliminate amounts resulting from internal transactions. Therefore, the balance of business line assets and business line liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective segment.

Financial assets and liabilities

The following table provides an overview of financial assets and financial liabilities.

In € thousand	At 31 December 2021 Carrying amounts	At 31 December 2021 Fair values	At 31 December 2020 Carrying amounts	At 31 December 2020 Fair values
Financial assets				
Investments				
Investment property	1,241,860	2,757,558	1,219,213	2,521,161
Financial assets accounted for using the equity method	656,393	655,252	677,921	518,552
Other investments	19,886,724	19,896,996	20,422,107	20,435,635
Financial assets at fair value through profit or loss	293,880	293,880	241,029	241,029
Available-for-sale financial assets	19,167,965	19,167,965	19,678,925	19,678,925
Loans and receivables	424,879	435,151	502,152	515,680
Unit-linked and index-linked life insurance investments	5,154,053	5,154,053	5,218,124	5,218,124
Receivables, including insurance receivables	714,823	714,823	684,249	684,249
Cash	592,583	592,583	640,713	640,713
Financial liabilities				
Subordinated liabilities	1,057,559	1,150,264	1,069,920	1,231,774
Financial liabilities	723,317	723,317	693,566	693,566
Liabilities from bonds and loans	599,490	599,490	610,098	610,098
Derivative financial instruments	21,843	21,843	1,908	1,908
Lease liabilities	101,984	101,984	81,560	81,560
Liabilities and other items classified as liabilities	1,017,197	1,017,197	994,221	994,221

Investments

1. Investment property

Land and buildings, including buildings on third-party land, held as long-term investments to generate rent revenue and/or for the purpose of capital appreciation are measured in accordance with the cost model. The investment property is subject to straight line depreciation over the useful life of 15 to 80 years and is recognised under the item “Net investment income”.

The fair value is determined using reports prepared by independent experts. These expert reports are prepared based on the income approach. It requires making assumptions about the future, principally concerning the discount rate, the exit yield, the expected utilisation (vacancy rate), the development of future rental charges and the condition of the land and buildings. Property value, location, usable area and usage category for the property are also taken into account.

For this reason, all measurements of the fair value for the land and buildings come under Level 3 of the hierarchy in accordance with IFRS 13. The measurement techniques respond to the underlying assumptions and parameters. For instance, any reduction in the discount rate applied would result in an increase in the values ascertained for the land and buildings if the other assumptions and parameters remained unchanged.

Conversely, any reduction in the expected utilisation or the expected rental charges would, for instance, result in a decrease in the values ascertained for the land and buildings if the other assumptions and parameters remained unchanged. The measurement-related assumptions and parameters are ascertained at each key date based on the best estimate by management with due respect to the current prevailing market conditions.

Acquisition costs
In € thousand

At 1 January 2020	**1,809,883**
Currency translation	–20,596
Change in basis of consolidation	97,606
Additions	52,232
Disposals	–5,201
Reclassifications	–14,408
At 31 December 2020	**1,919,516**
At 1 January 2021	**1,919,516**
Currency translation	785
Change in basis of consolidation	49,612
Additions	10,352
Disposals	–14,178
Reclassifications	24,807
At 31 December 2021	**1,990,893**

Accumulated depreciation and impairment losses
In € thousand

At 1 January 2020	**–672,439**
Currency translation	6,118
Additions from depreciation	–38,344
Additions from impairment	–9,459
Disposals	2,214
Reclassifications	5,986
Reversal of impairment	5,621
At 31 December 2020	**–700,303**
At 1 January 2021	**–700,303**
Currency translation	–1,096
Change in basis of consolidation	3,007
Additions from depreciation	–41,208
Additions from impairment	–7,206
Disposals	6,525
Reclassifications	–8,815
Reversal of impairment	61
At 31 December 2021	**–749,034**

Carrying amounts
In € thousand

	Property and casualty insurance	Health insurance	Life insurance	Total
At 1 January 2020	**214,693**	**242,077**	**680,674**	**1,137,444**
At 31 December 2020	**196,515**	**235,293**	**787,405**	**1,219,213**
At 31 December 2021	**183,910**	**236,456**	**821,493**	**1,241,860**

Fair values
In € thousand

	Property and casualty insurance	Health insurance	Life insurance	Total
At 31 December 2020	**439,767**	**624,609**	**1,456,785**	**2,521,161**
At 31 December 2021	**444,511**	**719,560**	**1,593,486**	**2,757,558**

2. Financial assets accounted for using the equity method

Investments in associates are accounted for using the equity method. They are initially recognised at acquisition cost, which also includes transaction costs. After initial recognition, the consolidated financial statements include the Group's share in profit/(loss) for the period and in changes in other comprehensive income until the date the applicable influence ends.

At each reporting date, UNIQA reviews whether there are any indications that the investments in associates are impaired. If this is the case, then the impairment loss is recorded as the difference between the participation carrying amount of the associate and the corresponding recoverable amount and recognised separately in profit/(loss) for the period. An impairment loss is reversed in the event of an advantageous change in the estimates used to determine the recoverable amount.

Reconciliation of summarised financial information

In € thousand

	STRABAG SE		Associated companies not material on a stand-alone basis	
	2021[1]	2020[2]	2021	2020
Net assets at 1 January	**3,966,748**	**3,789,440**	**189,059**	**162,884**
Change in basis of consolidation	0	0	–6,962	0
Dividends	–707,940	–92,340	–4,029	–495
Profit/(loss) after taxes	461,217	366,695	27,159	27,562
Other comprehensive income	47,726	–97,046	–62	–892
Net assets at 31 December	**3,767,752**	**3,966,748**	**205,165**	**189,059**
Shares in associated companies	15.29%	14.26%	Various investment amounts	
Carrying amount	**575,903**	**606,320**	**80,490**	**71,601**

[1] Estimate for 31 Dec. 2021 based on financial information as at 30 July 2021 on STRABAG SE available as at the reporting date
[2] The carrying amounts are calculated based on the shares in circulation. 2021: 15.29%, 2020: 15.29%

As at 31 December 2021, UNIQA held a 15.3 per cent stake in STRABAG SE (31 December 2020: 14.3 per cent). UNIQA treats STRABAG SE as an associate due to contractual arrangements. As part of the accounting using the equity method, an assessment of the share in STRABAG SE was made, based on the financial information published at 30 June 2021, for the period up until 31 December 2021.

The fair value of the shares is based on the stock market price at 31 December 2021 and amounts to €574,762 thousand (2020: €446,950 thousand).

Summarised statement of comprehensive income

In € thousand

	STRABAG SE[1]	
	1–6/2021	1–6/2020
Revenue	6,535,483	6,321,813
Depreciation	–266,095	–255,012
Interest income	12,546	20,572
Interest expenses	–15,941	–34,058
Income taxes	–45,854	–30,984
Profit/(loss) for the period	90,941	630
Other comprehensive income	29,386	–58,194
Total comprehensive income	**120,327**	**–57,564**

[1] STRABAG SE Semi-Annual Report 2021 as published in August 2021

Summarised statement of financial position

In € thousand

	STRABAG SE[1]	
	30/6/2021	31/12/2020
Cash and cash equivalents	1,875,307	2,856,954
Other current assets	4,672,450	4,124,139
Current assets	**6,547,757**	**6,981,093**
Non-current assets	**5,127,349**	**5,153,348**
Total assets	**11,675,106**	**12,134,441**
Current financial liabilities	433,790	163,896
Other current liabilities	5,532,321	5,479,476
Current liabilities	**5,966,111**	**5,643,372**
Non-current financial liabilities	728,924	992,111
Other non-current liabilities	1,463,689	1,390,738
Non-current liabilities	**2,192,613**	**2,382,849**
Total liabilities	**8,158,724**	**8,026,221**
Net assets	**3,516,382**	**4,108,220**

[1] STRABAG SE Semi-Annual Report 2021 as published in August 2021

All other financial assets accounted for using the equity method are negligible from the perspective of the Group when considered individually and are stated in aggregate form.

The financial statements of the associates most recently published have been used for the purpose of the accounting using the equity method, and have been adjusted based on any essential transactions between the relevant reporting date and 31 December 2021.

Summary of information on associated companies not material on a stand-alone basis

In € thousand

	1–12/2021	1–12/2020
Group's share of profit from continuing operations	10,588	10,827
Group's share of loss from continuing operations	0	–36
Group's share of other comprehensive income	–25	–357
Group's share of total comprehensive income	10,563	10,434

3. Other investments and unit-linked and index-linked life insurance investments

UNIQA has applied the deferral approach for IFRS 9 since 1 January 2018. This enables UNIQA to postpone the date of first-time application of IFRS 9 until IFRS 17 comes into force.

Financial assets are recognised for the first time on the settlement date. They are derecognised when the contractual rights to cash flows from an asset expire or the rights to receive the cash flows in a transaction in which all major risks and opportunities connected with the ownership of the financial asset are transferred.

Financial assets at fair value through profit or loss
Financial assets are recognised at fair value through profit or loss if the asset is either held for trading or is designated at fair value and recognised in profit and loss (fair value option). These include structured bonds, selected debt and equity instruments as well as derivatives and investment certificates whose original classification fell within this category.

The fair value option is applied to structured products that are not split between the underlying transaction and the derivative but are instead accounted for as a unit. Unrealised gains and losses are recognised in profit/(loss) for the period. The maximum default risk of these products is limited to the carrying amount. Furthermore, there are no hedging relationships or credit derivatives for these financial assets. The adjustment in fair values of these securities was not due to adjustments in credit risk.

Derivatives are used within the limits permitted under the Austrian Insurance Supervisory Act for hedging investments and for increasing earnings. All fluctuations in value are recognised in profit/(loss) for the period.

Financial assets from derivative financial instruments are recognised under other investments. Financial liabilities from derivative financial instruments are recognised under financial liabilities.

Available-for-sale financial assets
Available-for-sale financial assets are initially measured at fair value plus directly attributable transaction costs. Subsequently, available-for-sale financial assets are measured at fair value. Corresponding value changes, with the exception of impairment and foreign exchange differences in the case of available-for-sale debt securities, are recognised in other comprehensive income. When an asset is derecognised, the accumulated other comprehensive income is reclassified to profit/(loss) for the period.

Impairment of available-for-sale financial assets is recognised in profit/(loss) for the period by reclassifying the losses accumulated in equity. The accumulated loss that is reclassified from equity to profit/(loss) for the period is the difference between the acquisition cost, net of any redemptions, amortisations and less any impairment loss previously recognised in profit or loss – and current fair value. If the fair value of an impaired, available-for-sale debt instrument increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment was recognised, the impairment is reversed, with the amount of the reversal recognised in profit/loss for the period. Reversals of impairment losses of equity instruments held at fair value cannot be recognised in profit/(loss) for the period.

Loans and receivables
When first recognised, loans and receivables are measured at their fair value plus directly attributable transaction costs. Subsequently, they are measured at amortised cost using the effective interest method.

For debt instruments and assets in the category "Loans and receivables", this test is executed within the framework of an internal impairment process. If there are objective indications that the value currently attributed is not tenable, an impairment is recognised.

Objective indications that financial assets are impaired are:

- the default or delay of a debtor,
- the opening of bankruptcy proceedings for a debtor, or signs indicating that such proceedings are imminent,
- adverse changes in the rating of borrowers or issuers,

- changes in the market activity of a security, or
- other observable data that indicate a significant decrease in the expected payments from a group of financial assets.

In the case of an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is also objective evidence of impairment. A significant decrease is a decrease of 20 per cent, and a prolonged decline is one that lasts for at least nine months.

Impairment is calculated as the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate of the asset. Losses are recognised in profit/(loss) for the period. If there are no realistic chances of recovering the asset, an impairment has to be recognised. In case of an event that causes a reversal of impairment losses, this is recognised in profit/(loss) for the period. In the event of a definitive non-performance, the asset is derecognised.

Other investments are broken down into the following classes and categories of financial instruments:

Other investments At 31 December 2021

In € thousand

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets at fair value through profit or loss	52,352	182,475	0	2,792	56,260	293,880
Available-for-sale financial assets	1,331,890	17,836,075	0	0	0	19,167,965
Loans and receivables	0	62,691	362,187	0	0	424,879
Total	**1,384,242**	**18,081,241**	**362,187**	**2,792**	**56,260**	**19,886,724**
of which fair value option	52,352	182,475	0	0	0	234,827

Other investments At 31 December 2020

In € thousand

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets at fair value through profit or loss	6,442	162,844	0	17,823	53,920	241,029
Available-for-sale financial assets	978,834	18,700,091	0	0	0	19,678,925
Loans and receivables	0	88,269	413,883	0	0	502,152
Total	**985,276**	**18,951,204**	**413,883**	**17,823**	**53,920**	**20,422,107**
of which fair value option	6,442	162,844	0	0	0	169,286

Carrying amounts of other investments, with the exception of reclassified bonds, represent fair values. Reclassified bonds are subsumed in the item "Fixed-income securities" under "Loans and receivables", the fair value of which amounts to €72,964 thousand at 31 December 2021 (31 December 2020: €101,797 thousand).

Unit-linked and index-linked life insurance investments are broken down into the following classes and categories of financial instruments:

Unit-linked and index-linked life insurance investments At 31 December 2021

In € thousand

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Total
Financial assets at fair value through profit or loss	2,532,889	2,515,441	86,368	19,355	5,154,053
Total	**2,532,889**	**2,515,441**	**86,368**	**19,355**	**5,154,053**

Unit-linked and index-linked life insurance investments At 31 December 2020

In € thousand

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Total
Financial assets at fair value through profit or loss	2,076,362	3,024,384	117,378	0	5,218,124
Total	**2,076,362**	**3,024,384**	**117,378**	**0**	**5,218,124**

Determination of fair value

A range of accounting policies and disclosures requires the determination of the fair value of financial and non-financial assets and liabilities. UNIQA has defined a control framework with regard to the determination of fair value. This includes a measurement team, which bears general responsibility for monitoring all major measurements of fair value, including Level 3 fair values, and reports directly to the respective Member of the Management Board.

A review of the major unobservable inputs and the measurement adjustments is carried out regularly. If information from third parties (e.g. price quotations from brokers or price information services) is used to determine fair values, the evidence obtained from third parties is examined in order to see whether such measurements meet the requirements of IFRSs. The level in the fair value hierarchy to which these measurements are attributable is also tested. Major items in the measurement are reported to the Audit Committee.

As far as possible, UNIQA uses data that are observable on the market when determining the fair value of an asset or a liability. Based on the inputs used in the valuation techniques, the fair values are assigned to different levels in the fair value hierarchy.

- Level 1: quoted prices (unadjusted) on active markets for identical assets and liabilities. At UNIQA, these primarily involve quoted shares, quoted bonds and quoted investment funds.
- Level 2: measurement parameters that are not quoted prices included in Level 1 but which can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices), or are based on prices from markets that have been classified as inactive. The parameters that can be observed here include, for example, exchange rates, yield curves and volatilities. At UNIQA, these include in particular quoted bonds that do not fulfil the conditions under Level 1, along with structured products.
- Level 3: measurement parameters for assets or liabilities that are not based or are only partly based on observable market data. The measurement here primarily involves application of the discounted cash flow method, comparative procedures with instruments for which there are observable prices and other procedures. As there are no observable parameters here in many cases, the estimates used can have a significant impact on the result of the measurement. At UNIQA, it is primarily other equity investments, private equity funds and structured products that do not fulfil the conditions under Level 2 that are assigned to Level 3.

If the inputs used to determine the fair value of an asset or a liability can be assigned to different levels of the fair value hierarchy, the entire fair value measurement is assigned to the respective level of the fair value hierarchy that corresponds to the lowest input significant for the measurement overall.

UNIQA recognises reclassifications between different levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

The measurement processes and methods are as follows:

Financial instruments measured at fair value
For the measurement of capital investments, techniques best suited for the establishment of corresponding value are applied. The following standard measurement techniques are applied for financial instruments which come under Levels 2 and 3:

- Market approach
  The measurement method in the market approach is based on prices or other applicable information from market transactions which involve identical or comparable assets and liabilities.
- Income approach
  The income approach corresponds to the method whereby the future (expected) payment flows or earnings are inferred on a current amount.
- Cost approach
  The cost approach generally corresponds to the value which would have to be applied in order to procure the asset once again.

Measurement techniques and inputs in the determination of fair values

Assets	Price method	Input factors	Price model
Fixed-income securities			
Listed bonds	Listed price	-	-
Unlisted bonds	Theoretical price	CDS spread, yield curves	Discounted cash flow
Unquoted asset-backed securities	Theoretical price	-	Discounted cash flow, single deal review, peer
Infrastructure financing	Theoretical price	-	Discounted cash flow
Variable-income securities			
Listed shares/investment funds	Listed price	-	-
Private equities	Theoretical price	Certified net asset values	Net asset value method
Hedge funds	Theoretical price	Certified net asset values	Net asset value method
Other shares	Theoretical value	WACC, (long-term) revenue growth rate, (long-term) profit margins, control premium	Expert opinion
Derivative financial instruments			
Equity basket certificate	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes Monte Carlo N-DIM
CMS floating rate note	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	LIBOR market model, Hull-White-Garman-Kohlhagen Monte Carlo
CMS spread certificate	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Contract specific model
FX (binary) option	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM
Option (inflation, OTC, OTC FX options)	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes Monte Carlo N-DIM, contract specific model, inflation market model NKIS
Structured bonds	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, LMM
Swap, cross currency swap	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, Black-76-model, LIBOR market model, contract specific model
Swaption, total return swaption	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black - basis point volatility, contract specific model
Investments under investment contracts			
Listed shares/investment funds	Listed price	-	-
Unlisted investment funds	Theoretical price	Certified net asset values	Net asset value method

Valuation hierarchy of other investments

Assets and liabilities measured at fair value

In € thousand	Level 1		Level 2		Level 3		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Available-for-sale financial assets								
Variable-income securities	1,019,258	770,685	88	2,866	312,544	205,283	1,331,890	978,834
Fixed-income securities	13,172,587	14,048,895	3,131,198	3,535,446	1,532,290	1,115,750	17,836,075	18,700,091
Total	**14,191,845**	**14,819,580**	**3,131,286**	**3,538,312**	**1,844,834**	**1,321,033**	**19,167,965**	**19,678,925**
Financial assets at fair value through profit or loss								
Variable-income securities	2,828	912	1,770	1,966	47,755	3,564	52,352	6,442
Fixed-income securities	148,953	115,158	12,552	28,239	20,970	19,447	182,475	162,844
Derivative financial instruments	122	65	2,540	9,336	131	8,422	2,792	17,823
Investments under investment contracts	47,816	45,534	3,602	3,543	4,843	4,843	56,260	53,920
Total	**199,718**	**161,669**	**20,464**	**43,084**	**73,698**	**36,277**	**293,880**	**241,029**

In € thousand	Level 1		Level 2		Level 3		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Financial liabilities								
Derivative financial instruments	1,830	0	7,964	1,908	12,050	0	21,843	1,908
Total	**1,830**	**0**	**7,964**	**1,908**	**12,050**	**0**	**21,843**	**1,908**

Fair values of assets and liabilities measured at amortised cost

In € thousand	Level 1		Level 2		Level 3		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Investment property	**0**	**0**	**0**	**0**	**2,757,558**	**2,521,161**	**2,757,558**	**2,521,161**
Loans and receivables								
Loans and other investments	0	0	271,797	278,384	90,390	135,499	362,187	413,883
Fixed-income securities	15,711	16,051	57,253	85,746	0	0	72,964	101,797
Total	**15,711**	**16,051**	**329,051**	**364,130**	**90,390**	**135,499**	**435,151**	**515,680**

In € thousand	Level 1		Level 2		Level 3		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Financial liabilities								
Liabilities from bonds, loans and leases	0	0	0	0	701,474	691,657	701,474	691,657
Total	**0**	**0**	**0**	**0**	**701,474**	**691,657**	**701,474**	**691,657**
Subordinated liabilities	**1,150,264**	**1,231,774**	**0**	**0**	**0**	**0**	**1,150,264**	**1,231,774**

Transfers between Levels 1 and 2

In the reporting period transfers from Level 1 to Level 2 were made in the amount of €285,234 thousand (2020: €255,520 thousand) and from Level 2 to Level 1 in the amount of €359,168 thousand (2020: €493,055 thousand). These are attributable primarily to changes in trading frequency and trading activity.

Valuation hierarchy in unit-linked and index-linked life insurance investments

Assets and liabilities measured at fair value

	Level 1		Level 2		Level 3		Total	
In € thousand	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Financial assets at fair value through profit or loss	3,315,599	2,908,360	1,072,624	1,116,739	765,831	1,193,026	5,154,053	5,218,124
Total	3,315,599	2,908,360	1,072,624	1,116,739	765,831	1,193,026	5,154,053	5,218,124

Level 3 financial instruments

The following table shows the changes to the fair values of financial instruments whose measurement techniques are not based on observable inputs.

	Fixed-income securities		Other		Other investments Total		Unit-linked and index-linked life insurance investments	
In € thousand	2021	2020	2021	2020	2021	2020	2021	2020
At 1 January	1,115,750	879,787	241,560	229,648	1,357,310	1,109,434	1,193,026	120,801
Transfers from Level 3 to Level 1	–1,659	0	0	0	–1,659	0	0	0
Transfers from Level 3 to Level 2	–10,379	–39,342	0	0	–10,379	–39,342	0	0
Transfers to Level 3	18,314	2,610	0	1	18,314	2,611	1,860	604,062
Gains and losses recognised in profit or loss	–31	–1,854	2,381	–24,777	2,350	–26,631	–11,769	6,710
Gains and losses recognised in other comprehensive income	16,378	14,275	3,275	1,874	19,653	16,149	0	0
Additions	788,684	258,597	238,737	108,603	1,027,421	367,201	117,992	695
Disposals	–395,158	–11,267	–111,595	–88,333	–506,753	–99,600	–531,762	–10,784
Changes from currency translation	391	–189	–166	–550	226	–739	–3,516	0
Change in basis of consolidation	0	13,133	0	15,094	0	28,227	0	471,541
At 31 December	1,532,290	1,115,750	374,193	241,560	1,906,483	1,357,310	765,831	1,193,026

Sensitivities

Fixed-income securities

The main unobservable input in the measurement of fixed-income securities is the specific credit spread. In order to be able to measure these securities in a discounted cash flow model, the spreads are derived from a selection of reference securities with comparable characteristics. For the fixed-income securities in Level 3, an increase in the discount rate by 100 basis points results in a 7.7 per cent reduction in value (2020: 7.0 per cent). A reduction in the discount rate by 100 basis points results in an 8.4 per cent increase in value (2020: 8.3 per cent).

Other

Other securities under Level 3 mainly comprise private equity funds and other equity investments. Private equity funds are measured based on the net asset values which are determined by the fund manager using specific unobservable inputs for all underlying portfolio positions. This is done in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guideline. For other equity investments under Level 3, invested capital is considered to be an appropriate measure of fair value. In these cases, a sensitivity analysis is not applicable.

Carrying amounts for loans and other investments
In € thousand

	31/12/2021	31/12/2020
Loans		
Mortgage loans	6,219	7,925
Loans and advance payments on policies	11,173	12,343
Other loans	66,652	110,000
Total	**84,044**	**130,269**
Other investments		
Bank deposits	271,797	278,384
Deposits retained on assumed reinsurance	6,346	5,230
Total	**278,143**	**283,614**
Total sum	**362,187**	**413,883**

The carrying amounts of the loans and other investments mainly correspond to their fair values. The measurement is based on collateral and the creditworthiness of the debtor; for deposits with banks, it is based on quoted prices.

Impairment of loans
In € thousand

	31/12/2021	31/12/2020
At 1 January	**–2,602**	**–2,713**
Use	141	83
Reversal	780	16
Currency translation	–4	13
At 31 December	**–1,685**	**–2,602**

Contractual maturities for fair values of loans
In € thousand

	31/12/2021	31/12/2020
Up to 1 year	14,957	7,141
More than 1 year and up to 5 years	13,763	22,759
More than 5 years up to 10 years	51,309	95,368
More than 10 years	4,015	5,001
Total	**84,044**	**130,269**

4. Net investment income

Classified by business line
In € thousand

	Property and casualty insurance		Health insurance		Life insurance		Total	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Investment property	**–2,873**	**–4,806**	**7,157**	**7,762**	**54,400**	**37,306**	**58,684**	**40,263**
Financial assets accounted for using the equity method	**11,703**	**10,525**	**26,799**	**21,307**	**42,585**	**33,858**	**81,087**	**65,689**
Variable-income securities	**24,419**	**–17,782**	**98,274**	**10,067**	**3,654**	**5,781**	**126,346**	**–1,934**
Available for sale	–2,796	–17,757	98,009	9,565	3,781	5,897	98,994	–2,295
At fair value through profit or loss	27,215	–25	264	502	–127	–116	27,352	361
Fixed-income securities	**147,162**	**53,207**	**45,365**	**70,586**	**242,656**	**281,809**	**435,182**	**405,602**
Available for sale	147,892	48,751	46,500	65,790	242,434	281,747	436,826	396,288
At fair value through profit or loss	–730	4,456	–1,135	4,796	222	62	–1,643	9,314
Loans and other investments	**4,065**	**2,283**	**2,322**	**1,133**	**19,048**	**23,940**	**25,434**	**27,356**
Loans	645	816	1,567	1,327	3,908	4,808	6,120	6,951
Other investments	3,420	1,467	755	–194	15,139	19,132	19,314	20,405
Derivative financial instruments	**–23,606**	**8,910**	**–8,717**	**1,851**	**662**	**–169**	**–31,661**	**10,591**
Investment administration expenses, interest paid and other investment expenses	**–25,674**	**–22,790**	**–8,075**	**–8,163**	**–13,373**	**–11,204**	**–47,122**	**–42,158**
Total	**135,195**	**29,547**	**163,124**	**104,542**	**349,632**	**371,321**	**647,951**	**505,409**
Of which:								
Current income/expenses	113,945	108,512	98,338	93,794	308,957	316,712	521,241	519,018
Gains/losses from disposals and changes in value	21,250	–78,965	64,786	10,748	40,674	54,609	126,710	–13,609
Impairments	–3,810	–35,121	–4,950	–29,698	–9,025	–5,951	–17,784	–70,770

Classified by type of income

In € thousand

	Current income/expenses		Gains/losses from disposals and changes in value		Total		of which impairment	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Financial assets at fair value through profit or loss	**864**	**14,378**	**–6,816**	**5,889**	**–5,952**	**20,266**	**0**	**0**
Variable-income securities (within the framework of fair value option)	537	760	26,816	–399	27,352	361	0	0
Fixed-income securities (within the framework of fair value option)	408	1,095	–2,052	8,219	–1,643	9,314	0	0
Derivative financial instruments	–81	12,523	–31,580	–1,931	–31,661	10,591	0	0
Investments under investment contracts[1]	0	0	0	0	0	0	0	0
Available-for-sale financial assets	**386,874**	**375,078**	**148,946**	**18,915**	**535,820**	**393,993**	**–10,579**	**–61,311**
Variable-income securities	37,719	29,053	61,275	–31,348	98,994	–2,295	–10,549	–44,439
Fixed-income securities	349,155	346,025	87,671	50,263	436,826	396,288	–30	–16,872
Loans and receivables	**24,942**	**30,157**	**493**	**–2,801**	**25,434**	**27,356**	**0**	**0**
Fixed-income securities	2,667	3,724	–2	–26	2,665	3,698	0	0
Loans and other investments	22,275	26,432	495	–2,775	22,770	23,658	0	0
Investment property	**74,596**	**74,723**	**–15,912**	**–34,460**	**58,684**	**40,263**	**–7,206**	**–9,459**
Financial assets accounted for using the equity method	**81,087**	**66,840**	**0**	**–1,151**	**81,087**	**65,689**	**0**	**0**
Investment administration expenses, interest paid and other investment expenses	**–47,122**	**–42,158**	**0**	**0**	**–47,122**	**–42,158**	**0**	**0**
Total	**521,241**	**519,018**	**126,710**	**–13,609**	**647,951**	**505,409**	**–17,784**	**–70,770**

[1] Income from investments under investment contracts is not stated due to its transitory character.

Details of net investment income

In € thousand

	1–12/2021	1–12/2020
Current income/expenses from investment property		
Rent revenue	99,234	99,575
Operational expenses	–24,637	–24,851
Currency gains/losses		
Currency gains	68,029	90,345
Currency losses	–76,798	–106,091
Profit from currency gains/losses	**–8,769**	**–15,746**

Positive currency effects from investments amounting to €10,116 thousand (2020: negative currency effects amounting to €8,547 thousand) were recognised directly in equity.

Net profit/(loss) by measurement category

In € thousand

	1–12/2021	1–12/2020
Financial assets at fair value through profit or loss		
Recognised in profit/(loss) for the period	–5,952	20,266
Available-for-sale financial assets		
Recognised in profit/(loss) for the period	535,820	393,993
of which reclassified from equity to consolidated income statement	–142,878	–68,659
Recognised in other comprehensive income	–1,161,536	563,452
Net income	**–625,716**	**957,445**
Loans and receivables		
Recognised in profit/(loss) for the period	25,434	27,356
Financial liabilities measured at amortised cost		
Recognised in profit/(loss) for the period	–134,762	–64,758

Technical items

Insurance and reinsurance contracts along with investment contracts with a discretionary participation feature fall within the scope of IFRS 4 (Insurance Contracts). In accordance with IAS 8, the provisions of US Generally Accepted Accounting Principles (US GAAP) in the version applicable on 1 January 2005 were applied to all cases for which IFRS 4 contains no specific regulations on recognition and measurement. For accounting and measurement of the insurance-specific items of life insurance with profit participation, FAS 120 was observed; FAS 60 was applied for specific items in health, property and casualty insurance and FAS 113 for reinsurance. Unit-linked life insurance, where the policyholder bears the entire investment risk, was accounted for in accordance with FAS 97.

Based on the regulations, technical items must be covered by suitable assets (cover funds). As is standard in the insurance industry, amounts dedicated to the cover funds are subject to a limitation as regards availability in the Group.

Insurance and investment contracts

Insurance contracts are contracts through which a significant insurance risk is assumed. Investment contracts are contracts that do not transfer a significant insurance risk and that do not include a discretionary profit participation feature. They fall under the scope of IAS 39 (Financial Instruments).

Reinsurance contracts

Ceded reinsurance is stated in a separate item under assets. The profit and loss items (premiums and payments) are deducted openly from the corresponding items in the gross account, while commission income is reported separately as its own item. Reinsurance acquired (indirect business) is recognised as an insurance contract.

5. Technical provisions

Unearned premiums

For short-term insurance contracts, such as most property and casualty insurance policies, premiums relating to future years are reported as unearned premiums in line with the applicable regulations of US GAAP. The amount of these unearned premiums corresponds to the insurance cover granted proportionally in future periods. Premiums levied upon entering into certain long-term contracts (e.g. upfront fees) are recognised as unearned premiums. In line with the applicable regulations of US GAAP, these fees are recorded in the same manner as the redemption of deferred acquisition costs. These unearned premiums are in principle calculated for each individual policy and exactly to the day. If they are attributable to life insurance, they are included in insurance provision.

Insurance provision

Insurance provisions are essentially established in the life and health insurance lines. Their carrying amount is determined based on actuarial principles on the basis of the present value determined prospectively of future benefits to be paid by the insurer less the present value of future net premiums the insurer expects to receive on an individual contract basis. Insurance provisions are also established in the property and casualty lines that cover lifelong obligations (accident pensions as well as pensions in motor vehicle liability insurance). The insurance provision of the life insurer is calculated by taking into account contractually agreed calculation principles, which are explained in more detail under the actuarial risks in Chapter 44, “Risk profile”. These calculation principles take into account assumptions related to costs, mortality, invalidity and interest rate changes. Reasonable safety margins are included here in order to account for the risk of adjustments, errors and contingencies over the term of the contract.

For policies that are mainly of investment character (e.g. unit-linked life insurance), the provisions of FAS 97 are used to measure insurance provision. Insurance provision is arrived at by combining the invested amounts, the change in value of the underlying investments and the withdrawals under the policy.

Insurance provisions for health insurance are determined based on calculation principles that correspond to the “best estimate”, taking into account safety margins. Once calculation principles have been determined, they have to be applied to the corresponding partial portfolio for the whole duration (locked-in principle).

Provisions for unsettled claims

The provision for unsettled claims includes both the provision for claims already reported by the reporting date as well as the provision for damage that has not yet been reported but which has already occurred.

The provision in property and casualty insurance is determined based on a best estimate. Standard actuarial models are used to calculate the claim reserves with the parameters for these based on historical data. The assumptions made are reviewed continuously and adjusted if necessary. Examples of material assumptions include growth in claims frequency and in average claims expenses. Another material assumption is the settlement patterns for the individual lines of business which can be impacted by various factors. Assumptions regarding the future progress of claims inflation are only made to the extent that the future development is extrapolated based on historical observations. In insurance lines in which past experience does not allow the application of statistical methods, calculations are made on the basis of market data or expert assessments.

Discounting of claims reserves only takes place with respect to a small section of the annuity reserves for which an insurance provision is also formed. Recourse payments expected in future are deducted from the provision for unsettled claims. Costs of settling the claim that are directly attributable to the claim event, such as costs of an expert report, are already included in the calculation for the provision. Provisions for internal settlement expense are determined in a separate calculation procedure. The calculation of the provision for unsettled claims involves uncertainty on account of the contingency risk in the underlying assumptions. Further information on this can be found in Chapter 44, “Risk profile”.

For health insurance, provisions for unsettled claims are estimated on the basis of past experience, taking into consideration the known arrears in claim payments.

Life insurance is calculated on an individual loss basis with the exception of the provision for unreported claims.

Provision for the assumed reinsurance business generally complies with the figures of the cedents.

Provisions for premium refunds and profit participation

The provision for premium refunds includes the amounts for profit-related and non-profit-related profit participation to which the policyholders are entitled on the basis of statutory or contractual provisions.

In health and life insurance, policies with a discretionary participation feature, differences between local measurement and measurement in accordance with IFRSs are presented with deferred profit participation taken into account, whereby this is also reported in profit/(loss) for the period or in other comprehensive income depending on the recognition of the change in the underlying measurement differences. The amount of the provision for deferred profit participation generally comes to 85 per cent of the measurement differentials after tax.

Other technical provisions

This item essentially contains provisions for contingent losses for acquired reinsurance portfolios as well as provisions for expected cancellations and premium defaults.

Liability Adequacy Test

The Liability Adequacy Test evaluates whether the established IFRS reserves are sufficient. For life insurance portfolios, a best estimate reserve is compared with the IFRS reserve less deferred acquisition costs plus unearned revenue liability (URL). This calculation is done separately each quarter for mixed insurance policies, pension policies, risk insurance policies, and unit-linked and index-linked policies.

Because UNIQA already uses the best estimate approach for calculating loss reserves in non-life insurance, only the premiums to be expected in the future will be tested. Business lines that feature a surplus in the annual calculation of less than 5 per cent from future premiums less claims and costs expected in future are reviewed each quarter. In non-life insurance, the business lines tested are motor vehicle liability insurance, general liability insurance and other.

Gross

In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2021	**912,121**	**11,528**	**3,134,012**	**41,612**	**741**	**21,231**	**4,121,245**
Foreign exchange differences	4,374	–135	3,676	–18	40	304	8,241
Portfolio changes	0		–32,667		–1		–32,668
Additions		83		1,677	981	19,611	22,353
Disposals		–229		–6,293		–19,844	–26,366
Premiums written	3,489,533						3,489,533
Premiums earned	–3,469,209						–3,469,209
Claims reporting year			2,206,981				2,206,981
Claims payments reporting year			–1,163,699				–1,163,699
Change in claims previous years			–37,812				–37,812
Claims payments previous years			–748,501				–748,501
At 31 December 2021	**936,819**	**11,248**	**3,361,990**	**36,979**	**1,761**	**21,301**	**4,370,098**
Health insurance							
At 1 January 2021	**19,098**	**3,244,673**	**207,236**	**16,807**	**134,848**	**1,213**	**3,623,875**
Foreign exchange differences	1,068	412	619	–6		1	2,093
Portfolio changes			–65				–65
Additions		192,460		10,266	43,397	1,916	248,039
Disposals		–32,533		–10,551	–21,617	–1,030	–65,731
Premiums written	1,226,458						1,226,458
Premiums earned	–1,212,057						–1,212,057
Claims reporting year			758,575				758,575
Claims payments reporting year			–628,905				–628,905
Change in claims previous years			10,677				10,677
Claims payments previous years			–147,150				–147,150
At 31 December 2021	**34,567**	**3,405,012**	**200,987**	**16,515**	**156,628**	**2,100**	**3,815,808**
Life insurance							
At 1 January 2021		**9,812,856**	**243,527**	**14,982**	**1,372,760**	**6,497**	**11,450,622**
Foreign exchange differences		29,430	2,384	44	942	19	32,820
Portfolio changes		613	32,851		–11,039		22,426
Additions		256,552		5,026	82,420	5,205	349,203
Disposals		–285,480		–10,999	–599,759	–5,540	–901,779
Claims reporting year			1,233,828				1,233,828
Claims payments reporting year			–1,032,022				–1,032,022
Change in claims previous years			18,452				18,452
Claims payments previous years			–185,351				–185,351
At 31 December 2021		**9,813,972**	**313,669**	**9,053**	**845,324**	**6,180**	**10,988,198**
Total							
At 1 January 2021	**931,220**	**13,069,057**	**3,584,775**	**73,401**	**1,508,349**	**28,940**	**19,195,741**
Foreign exchange differences	5,442	29,707	6,679	21	982	323	43,154
Portfolio changes	0	613	118		–11,039		–10,308
Additions		449,095		16,969	126,798	26,732	619,594
Disposals		–318,242		–27,843	–621,376	–26,414	–993,876
Premiums written	4,715,991						4,715,991
Premiums earned	–4,681,266						–4,681,266
Claims reporting year			4,199,384				4,199,384
Claims payments reporting year			–2,824,626				–2,824,626
Change in claims previous years			–8,682				–8,682
Claims payments previous years			–1,081,002				–1,081,002
At 31 December 2021	**971,387**	**13,230,231**	**3,876,646**	**62,547**	**1,003,713**	**29,581**	**19,174,105**

Reinsurers' share

In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2021	**82,259**	**1,378**	**302,912**	**20**		**2,561**	**389,131**
Foreign exchange differences	–591	0	–1,268	0		–13	–1,872
Portfolio changes	0		1,101				1,101
Additions						1,544	1,544
Disposals		–4		–20		–1,681	–1,705
Premiums written	225,376						225,376
Premiums earned	–258,781						–258,781
Claims reporting year			182,955				182,955
Claims payments reporting year			–18,063				–18,063
Change in claims previous years			58,091				58,091
Claims payments previous years			–98,866				–98,866
At 31 December 2021	**48,263**	**1,374**	**426,864**			**2,411**	**478,912**
Health insurance							
At 1 January 2021	**370**	**467**	**273**			**1**	**1,110**
Foreign exchange differences	12		16			0	28
Portfolio changes			303				303
Additions						3	3
Disposals		–62					–62
Premiums written	4,937						4,937
Premiums earned	–3,617						–3,617
Claims reporting year			1,353				1,353
Claims payments reporting year			–724				–724
Change in claims previous years			231				231
Claims payments previous years			–538				–538
At 31 December 2021	**1,702**	**405**	**913**			**4**	**3,023**
Life insurance							
At 1 January 2021		**117,021**	**6,950**			**57**	**124,028**
Foreign exchange differences		118	33			1	151
Portfolio changes		0	–181				–181
Additions		4,573				70	4,644
Disposals		–19,205				–31	–19,236
Claims reporting year			22,500				22,500
Claims payments reporting year			–20,707				–20,707
Change in claims previous years			2,517				2,517
Claims payments previous years			–3,981				–3,981
At 31 December 2021		**102,507**	**7,132**			**97**	**109,736**
Total							
At 1 January 2021	**82,629**	**118,865**	**310,135**	**20**		**2,619**	**514,268**
Foreign exchange differences	–579	118	–1,219	0		–12	–1,693
Portfolio changes	0	0	1,223				1,223
Additions		4,573				1,617	6,191
Disposals		–19,270		–20		–1,713	–21,003
Premiums written	230,313						230,313
Premiums earned	–262,398						–262,398
Claims reporting year			206,809				206,809
Claims payments reporting year			–39,494				–39,494
Change in claims previous years			60,840				60,840
Claims payments previous years			–103,385				–103,385
At 31 December 2021	**49,965**	**104,286**	**434,908**			**2,512**	**591,671**

Net
In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2021	**829,862**	**10,150**	**2,831,099**	**41,592**	**741**	**18,669**	**3,732,114**
Foreign exchange differences	4,965	−135	4,944	−18	40	316	10,113
Portfolio changes	0		−33,768		−1		−33,769
Additions		83		1,677	981	18,066	20,808
Disposals		−225		−6,273		−18,163	−24,660
Premiums written	3,264,157						3,264,157
Premiums earned	−3,210,428						−3,210,428
Claims reporting year			2,024,026				2,024,026
Claims payments reporting year			−1,145,636				−1,145,636
Change in claims previous years			−95,903				−95,903
Claims payments previous years			−649,636				−649,636
At 31 December 2021	**888,556**	**9,874**	**2,935,127**	**36,979**	**1,761**	**18,890**	**3,891,186**
Health insurance							
At 1 January 2021	**18,729**	**3,244,206**	**206,963**	**16,807**	**134,848**	**1,212**	**3,622,765**
Foreign exchange differences	1,056	412	603	−6		1	2,066
Portfolio changes			−368				−368
Additions		192,460		10,266	43,397	1,914	248,036
Disposals		−32,471		−10,551	−21,617	−1,030	−65,669
Premiums written	1,221,521						1,221,521
Premiums earned	−1,208,440						−1,208,440
Claims reporting year			757,222				757,222
Claims payments reporting year			−628,181				−628,181
Change in claims previous years			10,447				10,447
Claims payments previous years			−146,612				−146,612
At 31 December 2021	**32,865**	**3,404,607**	**200,073**	**16,515**	**156,628**	**2,096**	**3,812,785**
Life insurance							
At 1 January 2021		**9,695,835**	**236,578**	**14,982**	**1,372,760**	**6,439**	**11,326,594**
Foreign exchange differences		29,313	2,351	44	942	18	32,668
Portfolio changes		613	33,031		−11,039		22,606
Additions		251,979		5,026	82,420	5,135	344,559
Disposals		−266,275		−10,999	−599,759	−5,509	−882,543
Claims reporting year			1,211,328				1,211,328
Claims payments reporting year			−1,011,315				−1,011,315
Change in claims previous years			15,935				15,935
Claims payments previous years			−181,370				−181,370
At 31 December 2021		**9,711,465**	**306,538**	**9,053**	**845,324**	**6,083**	**10,878,462**
Total							
At 1 January 2021	**848,591**	**12,950,192**	**3,274,640**	**73,381**	**1,508,349**	**26,321**	**18,681,473**
Foreign exchange differences	6,021	29,590	7,899	20	982	335	44,847
Portfolio changes	0	613	−1,105		−11,039		−11,531
Additions		444,522		16,969	126,798	25,114	613,403
Disposals		−298,971		−27,823	−621,376	−24,702	−972,872
Premiums written	4,485,678						4,485,678
Premiums earned	−4,418,868						−4,418,868
Claims reporting year			3,992,575				3,992,575
Claims payments reporting year			−2,785,132				−2,785,132
Change in claims previous years			−69,521				−69,521
Claims payments previous years			−977,618				−977,618
At 31 December 2021	**921,421**	**13,125,945**	**3,441,738**	**62,547**	**1,003,713**	**27,069**	**18,582,433**

Gross
In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2020	**618,125**	**12,380**	**2,607,932**	**30,572**	**1,049**	**10,975**	**3,281,033**
Foreign exchange differences	−22,320	−1,075	−36,545	−139	−30	−312	−60,422
Change in basis of consolidation	290,145		475,485			2,167	767,797
Portfolio changes	−105		−31,846	156	−205	1,671	−30,328
Additions		1,783		39,036	16	13,197	54,032
Disposals		−1,559		−28,012	−89	−6,468	−36,129
Premiums written	3,010,327						3,010,327
Premiums earned	−2,984,051						−2,984,051
Claims reporting year			1,753,449				1,753,449
Claims payments reporting year			−908,651				−908,651
Change in claims previous years			26,839				26,839
Claims payments previous years			−752,651				−752,651
At 31 December 2020	**912,122**	**11,528**	**3,134,012**	**41,612**	**741**	**21,231**	**4,121,245**
Health insurance							
At 1 January 2020	**20,857**	**3,075,435**	**198,338**	**14,630**	**125,574**	**693**	**3,435,527**
Foreign exchange differences	−2,083	−498	−811	−53	0	−8	−3,453
Portfolio changes	−35	0	−68	32	−32	0	−103
Additions		200,896		11,459	28,000	1,192	241,548
Disposals		−31,160		−9,262	−18,693	−664	−59,780
Premiums written	1,167,554						1,167,554
Premiums earned	−1,167,195						−1,167,195
Claims reporting year			688,708				688,708
Claims payments reporting year			−556,435				−556,435
Change in claims previous years			38,597				38,597
Claims payments previous years			−161,093				−161,093
At 31 December 2020	**19,098**	**3,244,673**	**207,236**	**16,807**	**134,848**	**1,213**	**3,623,875**
Life insurance							
At 1 January 2020		**9,807,418**	**183,565**	**7,181**	**1,068,226**	**4,950**	**11,071,340**
Foreign exchange differences		−67,719	−2,740	−216	−2,585	−352	−73,611
Change in basis of consolidation		156,291	53,136	7,726	764	1,264	219,182
Portfolio changes		329	−583		−1,508		−1,762
Additions		465,383		1,742	389,295	1,320	857,739
Disposals		−548,846		−1,451	−81,434	−685	−632,415
Claims reporting year			1,049,951				1,049,951
Claims payments reporting year			−893,296				−893,296
Change in claims previous years			−13,540				−13,540
Claims payments previous years			−132,965				−132,965
At 31 December 2020		**9,812,856**	**243,527**	**14,982**	**1,372,760**	**6,497**	**11,450,622**
Total							
At 1 January 2020	**638,981**	**12,895,233**	**2,989,835**	**52,383**	**1,194,849**	**16,618**	**17,787,899**
Foreign exchange differences	−24,403	−69,292	−40,096	−408	−2,615	−672	−137,485
Change in basis of consolidation	290,145	156,291	528,622	7,726	764	3,431	986,979
Portfolio changes	−139	329	−32,498	188	−1,745	1,671	−32,192
Additions		668,062		52,237	417,311	15,709	1,153,318
Disposals		−581,565		−38,726	−100,216	−7,817	−728,324
Premiums written	4,177,881						4,177,881
Premiums earned	−4,151,245						−4,151,245
Claims reporting year			3,492,107				3,492,107
Claims payments reporting year			−2,358,382				−2,358,382
Change in claims previous years			51,896				51,896
Claims payments previous years			−1,046,710				−1,046,710
At 31 December 2020	**931,220**	**13,069,057**	**3,584,775**	**73,401**	**1,508,349**	**28,940**	**19,195,742**

Reinsurers' share

In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2020	**29,467**	**12**	**187,799**			**2,462**	**219,739**
Foreign exchange differences	–1,335	–1	–2,632			–78	–4,047
Change in basis of consolidation	67,314		110,667				177,981
Portfolio changes	–94		–91				–184
Additions		1,368		20		1,786	3,175
Disposals		–1				–1,609	–1,610
Premiums written	161,744						161,744
Premiums earned	–174,836						–174,836
Claims reporting year			55,995				55,995
Claims payments reporting year			–22,813				–22,813
Change in claims previous years			51,222				51,222
Claims payments previous years			–77,234				–77,234
At 31 December 2020	**82,259**	**1,378**	**302,912**	**20**		**2,561**	**389,131**
Health insurance							
At 1 January 2020	**207**	**520**	**862**			**1**	**1,591**
Foreign exchange differences	–21		–115			0	–136
Portfolio changes	20		–461				–440
Disposals		–54				0	–54
Premiums written	2,596						2,596
Premiums earned	–2,433						–2,433
Claims reporting year			637				637
Claims payments reporting year			–424				–424
Change in claims previous years			44				44
Claims payments previous years			–271				–271
At 31 December 2020	**370**	**467**	**273**			**1**	**1,110**
Life insurance							
At 1 January 2020		**124,186**	**4,451**			**55**	**128,692**
Foreign exchange differences		–226	–61			0	–287
Change in basis of consolidation		219	1,402				1,621
Portfolio changes		–784	20				–764
Additions		68,875				6	68,881
Disposals		–75,249				–3	–75,252
Claims reporting year			21,801				21,801
Claims payments reporting year			–19,838				–19,838
Change in claims previous years			1,592				1,592
Claims payments previous years			–2,418				–2,418
At 31 December 2020		**117,021**	**6,950**			**57**	**124,028**
Total							
At 1 January 2020	**29,674**	**124,717**	**193,113**			**2,518**	**350,022**
Foreign exchange differences	–1,357	–227	–2,808			–79	–4,470
Change in basis of consolidation	67,314	219	112,069				179,602
Portfolio changes	–73	–784	–532				–1,389
Additions		70,243		20		1,792	72,055
Disposals		–75,304				–1,612	–76,916
Premiums written	164,340						164,340
Premiums earned	–177,269						–177,269
Claims reporting year			78,433				78,433
Claims payments reporting year			–43,075				–43,075
Change in claims previous years			52,858				52,858
Claims payments previous years			–79,923				–79,923
At 31 December 2020	**82,629**	**118,865**	**310,135**	**20**		**2,619**	**514,268**

Net
In € thousand

	Unearned premiums	Insurance provision	Provision for unsettled claims	Provision for non-profit-related premium refunds	Provision for profit-related premium refunds and/or policyholder profit participation	Other technical provisions	Total
Property and casualty insurance							
At 1 January 2020	**588,658**	**12,369**	**2,420,132**	**30,572**	**1,049**	**8,514**	**3,061,293**
Foreign exchange differences	−20,984	−1,074	−33,913	−139	−30	−234	−56,375
Change in basis of consolidation	222,831		364,819			2,167	589,816
Portfolio changes	−11		−31,755	156	−205	1,671	−30,143
Additions		414		39,016	16	11,411	50,857
Disposals		−1,558		−28,012	−89	−4,860	−34,519
Premiums written	2,848,583						2,848,583
Premiums earned	−2,809,215						−2,809,215
Claims reporting year			1,697,454				1,697,454
Claims payments reporting year			−885,837				−885,837
Change in claims previous years			−24,383				−24,383
Claims payments previous years			−675,417				−675,417
At 31 December 2020	**829,862**	**10,151**	**2,831,100**	**41,592**	**741**	**18,670**	**3,732,115**
Health insurance							
At 1 January 2020	**20,649**	**3,074,915**	**197,475**	**14,630**	**125,574**	**692**	**3,433,936**
Foreign exchange differences	−2,062	−498	−696	−53	0	−8	−3,317
Portfolio changes	−55	0	393	32	−32	0	337
Additions		200,896		11,459	28,000	1,192	241,548
Disposals		−31,107		−9,262	−18,693	−664	−59,726
Premiums written	1,164,958						1,164,958
Premiums earned	−1,164,762						−1,164,762
Claims reporting year			688,071				688,071
Claims payments reporting year			−556,012				−556,012
Change in claims previous years			38,553				38,553
Claims payments previous years			−160,822				−160,822
At 31 December 2020	**18,729**	**3,244,206**	**206,963**	**16,807**	**134,848**	**1,212**	**3,622,765**
Life insurance							
At 1 January 2020		**9,683,232**	**179,114**	**7,181**	**1,068,226**	**4,894**	**10,942,648**
Foreign exchange differences		−67,493	−2,679	−216	−2,585	−351	−73,324
Change in basis of consolidation		156,072	51,734	7,726	764	1,264	217,561
Portfolio changes		1,113	−603		−1,508		−998
Additions		396,508		1,742	389,295	1,314	788,858
Disposals		−473,597		−1,451	−81,434	−682	−557,163
Claims reporting year			1,028,150				1,028,150
Claims payments reporting year			−873,458				−873,458
Change in claims previous years			−15,133				−15,133
Claims payments previous years			−130,548				−130,548
At 31 December 2020		**9,695,835**	**236,578**	**14,982**	**1,372,760**	**6,439**	**11,326,594**
Total							
At 1 January 2020	**609,307**	**12,770,516**	**2,796,722**	**52,383**	**1,194,849**	**14,100**	**17,437,877**
Foreign exchange differences	−23,046	−69,066	−37,288	−408	−2,615	−593	−133,015
Change in basis of consolidation	222,831	156,072	416,553	7,726	764	3,431	807,377
Portfolio changes	−66	1,113	−31,966	188	−1,745	1,671	−30,804
Additions		597,818		52,217	417,311	13,917	1,081,263
Disposals		−506,262		−38,726	−100,216	−6,205	−651,408
Premiums written	4,013,541						4,013,541
Premiums earned	−3,973,976						−3,973,976
Claims reporting year			3,413,675				3,413,675
Claims payments reporting year			−2,315,307				−2,315,307
Change in claims previous years			−962				−962
Claims payments previous years			−966,787				−966,787
At 31 December 2020	**848,591**	**12,950,192**	**3,274,640**	**73,381**	**1,508,349**	**26,321**	**18,681,474**

The interest rates used as an accounting basis for the insurance provision were as follows:

In per cent

	Health insurance	Life insurance
2021		
For insurance provision	1.30 – 5.50	0.00 – 4.00
For deferred acquisition costs	1.30 – 5.50	2.48 – 2.79
2020		
For insurance provision	1.30 – 5.50	0.00 – 4.00
For deferred acquisition costs	1.30 – 5.50	2.31 – 2.51

Development of the provision for deferred profit participation

In € thousand

	31/12/2021	31/12/2020
At 1 January	1,382,410	1,074,803
Fluctuation in value, available-for-sale securities	– 579,292	303,069
Remeasurement through profit or loss	31,897	4,538
At 31 December	835,015	1,382,410

Claims payments

In € thousand

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Financial year	714,267	778,329	798,573	729,222	734,691	746,846	814,664	844,675	1,033,986	957,846	1,079,437	
1 year later	1,068,406	1,142,524	1,174,639	1,106,066	1,106,222	1,118,644	1,233,210	1,481,070	1,491,304	1,366,649		
2 years later	1,177,160	1,255,972	1,285,030	1,204,327	1,202,760	1,231,387	1,569,429	1,618,802	1,620,685			
3 years later	1,225,202	1,308,792	1,334,305	1,251,179	1,251,488	1,464,279	1,636,436	1,684,099				
4 years later	1,251,970	1,339,606	1,362,980	1,278,898	1,435,597	1,493,126	1,671,505					
5 years later	1,266,660	1,358,361	1,380,369	1,438,378	1,466,811	1,512,850						
6 years later	1,278,874	1,372,186	1,523,376	1,453,604	1,479,722							
7 years later	1,289,116	1,494,991	1,530,573	1,461,991								
8 years later	1,381,323	1,503,368	1,543,503									
9 years later	1,387,501	1,507,804										
10 years later	1,392,590											

Cumulated payments and provision for unsettled claims

In € thousand

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Financial year	1,337,566	1,444,917	1,489,270	1,475,068	1,476,130	1,515,928	1,615,166	1,719,067	1,933,668	1,881,282	2,110,190	
1 year later	1,348,006	1,436,610	1,472,322	1,457,929	1,449,504	1,495,915	1,606,939	1,972,501	1,959,874	1,836,103		
2 years later	1,350,674	1,449,431	1,495,723	1,437,879	1,429,766	1,479,026	1,871,458	1,933,021	1,938,245			
3 years later	1,353,309	1,454,301	1,489,480	1,413,637	1,417,989	1,699,464	1,883,684	1,938,548				
4 years later	1,353,437	1,447,394	1,474,842	1,399,226	1,612,176	1,699,511	1,893,018					
5 years later	1,351,386	1,447,991	1,470,199	1,563,394	1,627,982	1,708,784						
6 years later	1,349,836	1,449,843	1,620,378	1,553,798	1,612,707							
7 years later	1,346,159	1,578,290	1,614,232	1,556,081								
8 years later	1,445,372	1,581,023	1,621,120									
9 years later	1,445,308	1,572,550										
10 years later	1,440,848											
Settlement gains/losses	4,459	8,473	– 6,888	– 2,284	15,275	– 9,274	– 9,334	– 5,527	21,629	45,179		61,711
Settlement gains/losses before 2011												– 1,669
Total settlement gains/losses												**60,042**
Provision for unsettled claims	48,259	64,746	77,617	94,090	132,985	195,934	221,512	254,450	317,560	469,454	1,030,753	2,907,359
Provision for unsettled claims for accident years before 2011												346,851
Plus other reserve components (components not in triangle, internal claims regulation costs, etc.)												107,780
Provisions for unsettled claims (gross at 31 December 2021)												**3,361,990**

6. Technical provisions for unit-linked and index-linked life insurance

This item relates to insurance provisions and remaining technical provisions for obligations from life insurance policies where the value or income is determined by investments for which the policyholder bears the risk or for which the benefit is index-linked. The investments in question are collected in asset pools, recognised at their fair value and kept separately from the other investments. As a general rule, the measurement of the provisions corresponds with the item "Unit-linked and index-linked life insurance investments". The policyholders are entitled to all income from these investments. The unrealised gains and losses from fluctuations in the fair values of the investment pools are thus offset by the appropriate changes in these provisions. The reinsurers' share corresponds to a liability for deposits in the same amount.

An unearned revenue liability allocated to future year premium shares (such as preliminary fees) is calculated for unit-linked and index-linked life insurance contracts in accordance with FAS 97 and amortised correspondingly to deferred acquisition costs over the contract period.

Technical provisions for unit-linked and index-linked life insurance

In € thousand

	31/12/2021	31/12/2020
Gross	5,028,507	5,115,506
Reinsurers' share	0	–131
Total	**5,028,507**	**5,115,375**

7. Premiums

The item "Premiums written – gross" includes those amounts that have been called due, either once or on an ongoing basis in the financial year for the purposes of providing the insurance coverage. In the event of payment in instalments, premiums written are increased by the charges added during the year and the ancillary charges in line with the tariffs. In the case of unit-linked and index-linked life insurance, only the premiums decreased by the savings portion are stated in the item "Premiums written".

Premiums

In € thousand

	1–12/2021	1–12/2020
Premiums written – gross	**6,033,405**	**5,261,224**
Premiums written – reinsurer's share	–266,794	–190,549
Premiums written – net	**5,766,610**	**5,070,675**
Change in premiums earned – gross	–36,181	–29,693
Change in premiums earned – reinsurers' share	–32,857	–11,443
Premiums earned	**5,697,572**	**5,029,539**

Direct insurance

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	3,420,488	2,952,952
Health insurance	1,218,993	1,164,558
Life insurance	1,308,767	1,079,697
Total	**5,948,249**	**5,197,208**
Of which:		
Austria	3,683,416	3,613,820
remaining EU member states and other states which are party to the Agreement on the European Economic Area	1,901,728	1,254,479
other countries	363,106	328,909
Total	**5,948,249**	**5,197,208**

Indirect insurance

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	69,044	57,375
Health insurance	7,465	2,996
Life insurance	8,647	3,646
Total	**85,156**	**64,016**

Property and casualty insurance premiums written

In € thousand

	1–12/2021	1–12/2020
Direct insurance		
Fire and business interruption insurance	291,938	273,683
Liability insurance	312,973	275,426
Household insurance	238,533	209,275
Motor TPL insurance	871,813	671,080
Legal expense insurance	102,339	99,178
Marine, aviation and transport insurance	81,662	62,908
Other motor insurance	683,252	587,090
Other property insurance	334,134	299,740
Other forms of insurance	96,724	73,040
Casualty insurance	407,121	401,532
Total	**3,420,488**	**2,952,952**
Indirect insurance		
Fire and business interruption insurance	25,030	27,268
Motor TPL insurance	5,459	7,123
Other forms of insurance	38,555	22,983
Total	**69,044**	**57,375**
Total direct and indirect insurance (amount consolidated)	**3,489,533**	**3,010,327**

Reinsurance premiums ceded

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	225,376	161,744
Health insurance	4,937	2,596
Life insurance	36,481	26,209
Total	**266,794**	**190,549**

Premiums earned

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	**3,203,865**	**2,808,954**
Gross	3,462,699	2,982,095
Reinsurers' share	–258,835	–173,141
Health insurance	**1,213,262**	**1,163,614**
Gross	1,217,624	1,166,261
Reinsurers' share	–4,363	–2,648
Life insurance	**1,280,446**	**1,056,972**
Gross	1,316,900	1,083,175
Reinsurers' share	–36,454	–26,203
Total	**5,697,572**	**5,029,539**

Premiums earned – indirect insurance

In € thousand

	1–12/2021	1–12/2020
Recognised simultaneously	56,035	51,926
Recognised with a delay of up to 1 year	226	2,976
Posted after more than 1 year	127	108
Property and casualty insurance	**56,388**	**55,009**
Recognised simultaneously	5,829	2,990
Recognised with a delay of up to 1 year	1,641	6
Health insurance	**7,470**	**2,996**
Recognised simultaneously	8,408	3,405
Recognised with a delay of up to 1 year	150	240
Posted after more than 1 year	89	0
Life insurance	**8,647**	**3,646**
Total	**72,504**	**61,651**

Earnings – indirect insurance

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	3,218	8,533
Health insurance	2,529	–111
Life insurance	–2,738	–1,900
Total	**3,009**	**6,522**

8. Insurance benefits

In € thousand	Gross		Reinsurers' share		Net	
	1–12/2021	1–12/2020	1–12/2021	1–12/2020	1–12/2021	1–12/2020
Property and casualty insurance						
Claims expenses						
Claims paid	1,912,200	1,711,589	–116,929	–100,048	1,795,271	1,611,541
Change in provision for unsettled claims	256,969	117,850	–124,118	–7,169	132,851	110,681
Total	**2,169,169**	**1,829,439**	**–241,047**	**–107,217**	**1,928,123**	**1,722,222**
Change in insurance provision	–394	212	1	1	–393	213
Change in other technical provisions	62	–95	–28	–2	34	–97
Non-profit-related and profit-related premium refund expenses	37,359	52,781	0	0	37,359	52,781
Total benefits	**2,206,196**	**1,882,337**	**–241,074**	**–107,218**	**1,965,123**	**1,775,119**
Health insurance						
Claims expenses						
Claims paid	771,163	745,499	–1,262	–694	769,901	744,804
Change in provision for unsettled claims	–6,803	9,783	–322	14	–7,125	9,797
Total	**764,360**	**755,282**	**–1,584**	**–680**	**762,776**	**754,602**
Change in insurance provision	166,713	169,727	62	–46	166,775	169,682
Non-profit-related and profit-related premium refund expenses	68,176	38,772	0	0	68,176	38,772
Total benefits	**999,249**	**963,782**	**–1,522**	**–726**	**997,727**	**963,056**
Life insurance						
Claims expenses						
Claims paid	1,217,373	1,073,882	–24,688	–22,256	1,192,685	1,051,626
Change in provision for unsettled claims	34,907	11,204	–330	–1,137	34,577	10,067
Total	**1,252,280**	**1,085,086**	**–25,018**	**–23,393**	**1,227,263**	**1,061,693**
Change in insurance provision	–150,750	–145,657	6,354	6,163	–144,395	–139,493
Change in other technical provisions	–44	–161	0	0	–44	–161
Non-profit-related and profit-related premium refund expenses and/or (deferred) benefit participation expenses	58,595	34,365	–64	0	58,531	34,365
Total benefits	**1,160,081**	**973,634**	**–18,727**	**–17,230**	**1,141,354**	**956,404**
Total	**4,365,526**	**3,819,752**	**–261,323**	**–125,174**	**4,104,204**	**3,694,579**

9. Operating expenses

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance		
Acquisition costs		
Payments	760,723	671,155
Change in deferred acquisition costs	–47,561	–26,506
Other operating expenses	340,115	340,144
Reinsurance commission and share of profit from reinsurance ceded	–15,514	–14,068
	1,037,763	**970,724**
Health insurance		
Acquisition costs		
Payments	115,621	115,654
Change in deferred acquisition costs	–20,124	–14,930
Other operating expenses	112,135	124,594
Reinsurance commission and share of profit from reinsurance ceded	–1,008	–352
	206,624	**224,966**
Life insurance		
Acquisition costs		
Payments	237,112	175,891
Change in deferred acquisition costs	6,979	32,114
Other operating expenses	167,111	166,808
Reinsurance commission and share of profit from reinsurance ceded	–7,063	–4,104
	404,140	**370,708**
Total	**1,648,527**	**1,566,399**

Other non-current assets

10. Deferred acquisition costs and value of business in force

Deferred acquisition costs related to insurance contracts

Based on US GAAP, deferred acquisition costs are accounted for in accordance with IFRS 4. In the case of property and casualty insurance contracts, costs directly attributable to the acquisition are deferred and distributed over the expected contract term or according to the unearned premiums. In life insurance, the deferred acquisition costs are amortised in line with the pattern of expected gross profits or margins. Deferred acquisition costs for insurance activities that are directly related to new business and/or to extensions of existing policies and that vary in line with that business are capitalised. They are amortised over the term of the respective insurance contracts. If they are attributable to property and casualty insurance, they are amortised over the probable contractual term. For long-term health insurance contracts, the amortisation of acquisition costs is measured in line with the proportionate share of earned premiums in the present value of expected future premium income. In life insurance, the acquisition costs are amortised over the duration of the contract in the same proportion as the actuarial profit margin of each individual year is realised in comparison to the total margin to be expected from the contracts. The changes in deferred acquisition costs are recognised as part of profit/(loss) for the period under the item “Operating expenses”.

Non-insurance deferred acquisition costs

Deferred acquisition costs not related to contracts are accounted for in accordance with IFRS 15. These are essentially contracts for the management of pension and investment funds. They recognise costs that would not have been incurred if the contract had not been concluded. The amortisation is carried out pro rata temporis over the term of the underlying contracts.

Value of business in force

Values of life, property and casualty insurance policies as well as pension fund contracts relate to expected future margins from purchased operations. They are recognised at their fair value at the acquisition date.

The redemption of the current value of business in force follows the progression of the estimated gross margins. The amortisation of the value of business in force is recognised in the profit/(loss) for the period under “Amortisation of VBI and impairment of goodwill”.

Acquisition costs
In € thousand

	Deferred acquisition costs	Value of business in force	Total
At 1 January 2020	**1,123,795**	**112,195**	**1,235,990**
Currency translation	−17,174	−579	−17,753
Change in basis of consolidation	0	349,389	349,389
Disposals	0	−2,634	−2,634
Interest capitalised	−366	0	−366
Capitalisation	367,275	0	367,275
Portfolio additions and disposals	−199	0	−199
Amortisation	−357,128	0	−357,128
At 31 December 2020	**1,116,203**	**458,371**	**1,574,573**
At 1 January 2021	**1,116,203**	**458,371**	**1,574,573**
Currency translation	3,443	4,708	8,152
Disposals	0	−2,486	−2,486
Interest capitalised	9,290	0	9,290
Capitalisation	360,661	0	360,661
Amortisation	−306,587	0	−306,587
At 31 December 2021	**1,183,011**	**460,593**	**1,643,603**

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Accumulated amortisation and impairment losses

In € thousand

	Deferred acquisition costs	Value of business in force	Total
At 1 January 2020		**–104,028**	**–104,028**
Currency translation		534	534
Additions from amortisation		–20,064	–20,064
Disposals		134	134
At 31 December 2020		**–123,424**	**–123,424**
At 1 January 2021		**–123,424**	**–123,424**
Currency translation		208	208
Additions from amortisation		–58,832	–58,832
Disposals		532	532
At 31 December 2021		**–181,516**	**–181,516**

Carrying amounts

In € thousand

	Deferred acquisition costs	Value of business in force	Total
At 1 January 2020	**1,123,795**	**8,168**	**1,131,963**
At 31 December 2020	**1,116,203**	**334,947**	**1,451,149**
At 31 December 2021	**1,183,011**	**279,077**	**1,462,087**

11. Intangible assets

Goodwill

Ascertainment and allocation of goodwill

For the purpose of the impairment test, UNIQA has allocated the goodwill to cash-generating units (CGUs) below, which coincide with the countries in which UNIQA operates. An exception to this was the SIGAL Group, in which the three countries of Albania, Kosovo and North Macedonia were combined as one CGU due to their similar development and organisational connection:

- UNIQA Austria
- Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group (SEE)
- Bulgaria (SEE)
- Poland (CE)
- Russia (RU)
- Czech Republic (CE)
- Hungary (CE)

Goodwill by CGU
In € thousand

	31/12/2021	31/12/2020
Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group	18,055	17,689
Bulgaria	5,412	17,512
Poland	41,534	41,873
Czech Republic	232,363	219,871
Hungary	14,485	14,696
UNIQA Austria	37,737	37,737
Other	3,467	3,544
Total	**353,054**	**352,922**

Impairment test for goodwill

The impairment test was performed during the preparation of the financial statements. In order to test the impairment for goodwill, the recoverable amount of the CGUs is determined. Impairment is recognised when the recoverable amount of a CGU is less than its value to be covered, consisting of goodwill and the proportional net assets. The impairment of goodwill is recognised in profit/(loss) for the period under the item "Amortisation of VBI and impairment of goodwill".

Determination of the recoverable amount

The recoverable amount of the CGUs with goodwill allocated is calculated on the basis of value in use by applying generally accepted measurement principles by means of the dividend discount method. The budget projections (detailed planning phase) of the CGUs, the estimate of the long-term net profits achievable by the CGUs and long-term growth rates (perpetuity) are used as the starting point for determination of the capitalised value.

The capitalised value is determined by discounting the future profits with a suitable capitalisation rate after assumed retention to strengthen the capital base. In the process, the capitalised values are separated by the three business lines, which are then totalled to yield the value for the entire company.

Cash flow forecast (multi-phase model)

Phase 1: five-year company planning

The detailed company planning generally encompasses a period of five years. The company plans used for the calculation are the result of a structured and standardised management dialogue. This includes an integrated reporting and documentation process integrated into this dialogue and takes into account empirical values from previous planning periods.

The plans are formally approved by the Group Management Board and also include material assumptions regarding the combined ratio, capital earnings, market shares and the like.

Phase 2: perpetuity growth rate

The last year of the detailed planning phase is used as the basis for determining cash flows in phase 2. From the 2020 financial year, the perpetuity growth rate is based on medium-term growth forecasts of the respective national economy and is not derived based on the insurance density as before. The underlying growth assumptions depend on the geographical location and range from 1 to 4 per cent. Various studies and statistical analyses were used as sources to provide a basis for determining the growth rates in order to consistently and realistically reflect the market situation and macroeconomic development. The reference sources include our own research, as well as country risks, growth rate estimations and multiples published by Damodaran (NYU Stern).

Determining the capitalisation rate
The assumptions with regard to risk-free interest rate, market risk premium and business line betas made for determining the capitalisation rate are consistent with the parameters used in the UNIQA planning and controlling process. They are based on the capital asset pricing model.

In order to depict the economic situation of income values as accurately as possible, considering the volatility on the markets, the capitalisation rate was calculated as follows: a uniform, risk-free interest rate according to the Svensson method (a 30-year spot rate for German federal bonds) was used as a base interest rate.

The beta factor was determined on the basis of the monthly betas over the last ten years for a defined peer group. The betas for the non-life, life and health insurance business lines were determined using the revenues in the relevant business lines of the individual peer group companies. The health insurance business line, which is strongly focused on the Austrian market, is operated in a manner similar to life insurance. A uniform beta factor for personal insurance is therefore used in relation to the health and life insurance lines.

In Austrian measurement practice, the market risk premium is derived at the reporting date from the implied market return based on capital market data. The growth factor is derived in the same manner as the growth in the profit from ordinary activities in the impairment test.

An additional country risk premium was defined in accordance with Professor Damodaran's models. The basic principles for calculation of the country risk premium in accordance with the Damodaran method are as follows: the spread of credit default swap spreads in a rating class of "risk-free" US government bonds is determined starting from the rating of the country concerned (Moody's). Then the spread is adjusted by the amount of the volatility difference between equity and bond markets.

The calculation also factored in the inflation differential for countries outside the eurozone. In general, the inflation differential represents inflation trends in different countries and is used as a key indicator in assessing competitiveness. In order to calculate the inflation differential, the deviation of the inflation forecast for the country of the CGU in question in relation to the inflation forecast for a risk-free environment (Germany, in this case) was used. This is adjusted annually in the detailed planning by the expected inflation, and is subsequently applied for perpetuity with the value of the last year of the detailed planning phase.

Capitalisation rate 2021

In per cent	Discount factor		Discount factor perpetuity	
	Property/ casualty	Life & health	Property/ casualty	Life & health
Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group[1]	12.8 – 13.8	13.5 – 14.5	12.1 – 14	12.8 – 14.7
Bulgaria	10.5	11.2	10.1	10.8
Austria	8.9	9.6	8.9	9.6
Poland	11.2	11.9	9.9	10.6
Russia	14.0	14.7	12.7	13.4
Czech Republic	9.9	10.6	9.1	9.8
Hungary	12.5	13.2	11.4	12.1

1) The discount rate ranges listed for the SIGAL Group relate to the spread over the respective countries grouped under these headings.

Capitalisation rate 2020

In per cent	Discount factor		Discount factor perpetuity	
	Property/ casualty	Life & health	Property/ casualty	Life & health
Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group[1)]	12.1 – 13.2	12.9 – 14.0	11.7 – 13.4	12.5 - 14.1
Bulgaria	10.3	11.1	9.7	10.5
Austria	8.6	9.4	8.6	9.4
Poland	10.0	10.8	9.7	10.4
Russia	12.8	13.5	12.1	12.9
Czech Republic	9.2	10.0	8.6	9.4
Hungary	12.1	12.8	11.1	11.9

1) The discount rate ranges listed for the SIGAL Group relate to the spread over the respective countries grouped under these headings.

Impairments for the financial year
At the end of 2021, it became known that a significant distribution channel in the CGU Bulgaria will be eliminated. For this reason, there is a significantly adjusted plan compared to the previous year, resulting in the need for impairment of €12.1 million.

Sensitivity analyses
In order to substantiate the results of the calculation and estimation of the value in use, sensitivity analyses with regard to the capitalisation rate and the main value drivers are performed.

These analyses show that sustained surpluses on the part of the individual CGUs are highly dependent on the actual development of these assumptions within the individual national or regional economies (GDP, insurance density, purchasing power parities particularly in the CEE markets) as well as the associated implementation of the individual profit goals. These forecasts and the related assessment of how the situation in the markets will develop in the future, under the influence of the continuing financial crisis in individual markets, are the largest uncertainties in connection with measurement results.

In the event that the insurance markets develop entirely differently from the assumptions made in those business plans and forecasts, the individual goodwill amounts may incur impairment losses.

A sensitivity analysis shows that if a rise in interest rates of 50 basis points is assumed, the CGU Bulgaria's value in use would fall below €1.6 million. An assumed interest rate increase of 100 basis points would mean that the value in use for the CGU Bulgaria would fall below €3.1 million, and below €0.3 million for the CGU SIGAL Group. An adjustment in the underlying cash flow by – 5 per cent would mean the value in use for the CGU Bulgaria could fall below the carrying amount of €1.8 million. A change in cash flows of – 10 per cent would result in a shortfall of €3.7 million, and of €2.4 million for the CGU SIGAL Group.

Other intangible assets
Other intangible assets include both purchased and internally developed software, which is depreciated on a straight-line basis over its useful economic life of 2 to 20 years.

Costs that are incurred at the research stage for internally generated software are recognised through profit or loss for the period in which they were incurred. Costs that are incurred in the development phase are deferred provided that it is foreseeable that the software will be completed, there is the intention and ability for future internal use, and this will result in a future economic benefit.

The amortisation of the other intangible assets is recognised in profit/(loss) for the period on the basis of allocated operating expenses under the items "Insurance benefits", "Operating expenses" and "Net investment income".

Measurement of non-financial assets
The carrying amounts of UNIQA's non-financial assets – excluding deferred tax assets – are reviewed at every reporting date to determine whether there is an indication of impairment. If this is the case, the recoverable amount of the asset is estimated. The goodwill and intangible assets under development are tested for impairment annually, unless a triggering event occurs.

An impairment loss on goodwill is not reversed. In the case of other assets, an impairment loss is reversed only to the extent that it does not increase the carrying amount of the asset above the carrying amount that would have been determined net of depreciation or amortisation had no impairment loss been recognised.

Acquisition costs
In € thousand

	Goodwill	Intangible assets under development	Other intangible assets	Total
At 1 January 2020	**358,446**	**38,529**	**368,440**	**765,415**
Currency translation	2,181	0	–4,717	–2,536
Change in basis of consolidation	219,767	0	8,907	228,674
Additions	0	46,270	49,879	96,148
Disposals	–171,752	0	–3,385	–175,138
Reclassifications	0	–9,241	9,220	–20
At 31 December 2020	**408,641**	**75,558**	**428,344**	**912,543**
At 1 January 2021	**408,641**	**75,558**	**428,344**	**912,543**
Currency translation	12,313	–12	990	13,291
Change in basis of consolidation	–58	0	9,760	9,702
Additions	0	76,958	188,584	265,542
Disposals	1,398	–35,985	–159,529	–194,116
Reclassifications	0	–12,131	12,127	–4
At 31 December 2021	**422,294**	**104,389**	**480,275**	**1,006,958**

Accumulated amortisation and impairment losses
In € thousand

	Goodwill	Intangible assets under development	Other intangible assets	Total
At 1 January 2020	**–121,719**	**0**	**–189,144**	**–310,863**
Currency translation	0	0	3,538	3,538
Additions from amortisation	0	0	–24,355	–24,355
Additions from impairment	–105,752	0	0	–105,752
Disposals	171,752	0	748	172,500
Reversal of impairment	0	0	9	9
At 31 December 2020	**–55,719**	**0**	**–209,205**	**–264,924**
At 1 January 2021	**–55,719**	**0**	**–209,205**	**–264,924**
Currency translation	0	0	–848	–848
Change in basis of consolidation	4	0	0	4
Additions from amortisation	0	0	–33,048	–33,048
Additions from impairment	–12,100	0	0	–12,100
Disposals	–1,425	0	17,669	16,244
Reclassifications	0	0	1	1
At 31 December 2021	**–69,240**	**0**	**–225,431**	**–294,671**

Carrying amounts
In € thousand

	Goodwill	Intangible assets under development	Other intangible assets	Total
At 1 January 2020	**236,727**	**38,529**	**179,296**	**454,553**
At 31 December 2020	**352,922**	**75,558**	**219,139**	**647,619**
At 31 December 2021	**353,054**	**104,389**	**254,844**	**712,287**

Intangible assets under development and other intangible assets mainly comprise software.

12. Property, plant and equipment

Property, plant and equipment are accounted for using the cost model.

Gains on the disposal of property, plant and equipment are recorded under the item "Other insurance income", while losses are recorded under "Other technical expenses".

If the use of a property changes and an owner-occupied property becomes an investment property, the property is reclassified as investment land and buildings with the carrying amount at the date of the change.

Property, plant and equipment are depreciated on a straight line basis over a useful life for buildings of 15 to 80 years and for technical systems and operating and office equipment of 2 to 20 years. Depreciation methods, useful lives and residual values are reviewed on every reporting date and adjusted if necessary. The depreciation charges for property, plant and equipment are recognised in profit/(loss) for the period on the basis of allocated operating expenses under the items "Insurance benefits", "Operating expenses" and "Net investment income" so that the expenses and earnings are distributed on the basis of their causation.

Leases

There are around 1,200 contracts throughout the entire Group which fall within the scope of the standard and for which UNIQA is lessee. Nearly all contracts are simple standard contracts. They mainly relate to real estate and in part to operating and office equipment. A significant portion of the capitalised rights of use consists of a small number of contracts concluded for an indefinite period. For these contracts, estimates were made on the basis of the most probable assumptions regarding the term and the exercise of termination options. The terms used to calculate these contracts are up to 40 years. The average term of the remaining contracts is between 3 and 5 years.

The discount rate used to determine the liability consists of the risk-free interest rate adjusted for country risk, creditworthiness, the quality of collateral and a repayment factor.

Leases with a contractual term of less than twelve months and low value assets were not recognised. Leases where the underlying asset value does not exceed a new value of €5 thousand and those with a contract term of less than twelve months were not recognised.

Acquisition costs
In € thousand

	Land and buildings for own use	Usage rights from land and buildings for own use	Other property, plant and equipment	Usage rights from other property, plant and equipment	Total
At 1 January 2020	**414,585**	**70,584**	**238,429**	**1,757**	**725,355**
Currency translation	–5,268	–409	–2,776	–62	–8,514
Change in basis of consolidation	0	27,332	3,128	2,584	33,044
Additions	1,907	31,106	21,331	119	54,463
Disposals	–33,048	–29,498	–8,831	–249	–71,626
Reclassifications	14,355	0	73	0	14,428
At 31 December 2020	**392,532**	**99,115**	**251,354**	**4,148**	**747,149**
At 1 January 2021	**392,532**	**99,115**	**251,354**	**4,148**	**747,149**
Currency translation	660	442	709	36	1,847
Change in basis of consolidation	0	0	920	0	920
Additions	2,668	46,290	23,963	533	73,454
Disposals	–3,013	–17,920	–20,272	–327	–41,532
Reclassifications	–24,858	0	4	0	–24,854
At 31 December 2021	**367,988**	**127,928**	**256,679**	**4,390**	**756,984**

Accumulated depreciation and impairment losses

In € thousand

	Land and buildings for own use	Usage rights from land and buildings for own use	Other property, plant and equipment	Usage rights from other property, plant and equipment	Total
At 1 January 2020	**–186,048**	**–9,937**	**–176,947**	**–643**	**–373,575**
Currency translation	1,910	112	1,694	27	3,745
Additions from depreciation	–11,142	–13,066	–16,673	–736	–41,617
Disposals	27,637	599	6,561	235	35,031
Reclassifications	–5,986	0	–9	0	–5,994
At 31 December 2020	**–173,628**	**–22,292**	**–185,373**	**–1,117**	**–382,410**
At 1 January 2021	**–173,628**	**–22,292**	**–185,373**	**–1,117**	**–382,410**
Currency translation	–216	–100	–511	3	–823
Change in basis of consolidation	0	0	1	0	1
Additions from depreciation	–8,164	–16,491	–17,456	–1,210	–43,321
Disposals	1,949	9,590	14,386	273	26,198
Reclassifications	8,866	0	–1	0	8,865
At 31 December 2021	**–171,192**	**–29,294**	**–188,955**	**–2,050**	**–391,491**

Carrying amounts

In € thousand

	Land and buildings for own use	Usage rights from land and buildings for own use	Other property, plant and equipment	Usage rights from other property, plant and equipment	Total
At 1 January 2020	**228,537**	**60,647**	**61,482**	**1,114**	**351,780**
At 31 December 2020	**218,904**	**76,823**	**65,981**	**3,031**	**364,739**
At 31 December 2021	**196,796**	**98,634**	**67,723**	**2,340**	**365,493**

The fair values of the land and buildings for own use are derived from expert reports and are comprised as follows:

Fair values

In € thousand

	Property and casualty insurance	Health insurance	Life insurance	Total
At 31 December 2020	**189,887**	**38,566**	**205,250**	**433,703**
At 31 December 2021	**192,028**	**16,346**	**199,205**	**407,578**

Other property, plant and equipment refers mainly to technical systems and operating and office equipment.

Amounts recognised in consolidated financial statements

In € thousand

	2021	2020
Amounts recognised in the consolidated income statement		
Interest on lease liabilities	998	759
Expenses relating to short-term leases	2,317	1,405
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	2,764	4,838
Amounts recognised in the consolidated statement of cash flows		
Cash outflows for leases	–16,906	–13,768

Other current assets

13. Receivables, including insurance receivables

In € thousand	31/12/2021	31/12/2020
Reinsurance receivables		
Receivables from reinsurance business	95,762	76,757
	95,762	**76,757**
Insurance receivables		
from policyholders	301,426	324,837
from insurance intermediaries	28,594	29,547
from insurance companies	9,857	13,741
	339,877	**368,124**
Other receivables		
Receivables from services	95,224	81,788
Receivables from investment transactions	11,047	0
Other tax refund claims	13,360	14,150
Remaining receivables	159,555	143,431
	279,185	**239,368**
Subtotal	**714,823**	**684,249**
of which receivables with a remaining maturity of		
up to 1 year	694,048	680,264
more than 1 year	20,775	3,985
	714,823	**684,249**
of which receivables with values not yet impaired		
up to 3 months overdue	18,374	6,939
more than 3 months overdue	5,810	4,880
Total receivables including insurance receivables	**714,823**	**684,249**

The fair values are essentially equal to the carrying amounts.

Impairments

In € thousand	Reinsurance receivables		Insurance receivables[1]		Other receivables	
	2021	2020	2021	2020	2021	2020
At 1 January	–342	0	–72,684	–12,076	–6,084	–6,971
Change in basis of consolidation	0	–380	0	–64,028	0	–625
Allocation	–309	0	–10,430	–2,684	–5,895	–1,587
Use	0	38	3,330	2,481	868	2,149
Reversal	0	0	2,560	2,861	36	207
Currency translation	3	0	–225	763	–413	743
At 31 December	**–648**	**–342**	**–77,449**	**–72,684**	**–11,488**	**–6,084**

[1] Impairment losses related to policyholders are shown under the cancellation provision.

14. Cash

Cash in foreign currencies is measured at the exchange rate in effect on the reporting date. The item “Cash” in the consolidated statement of cash flows corresponds to the item in the consolidated statement of financial position.

Taxes

15. Income tax

Income tax
In € thousand

	1–12/2021	1–12/2020
Actual tax – reporting year	88,255	46,378
Actual tax – previous year	10,919	–8,736
Deferred tax	–34,789	–4,867
Total	**64,385**	**32,775**

Reconciliation statement
In € thousand

	1–12/2021	1–12/2020
Earnings before taxes	**382,289**	**57,056**
Expected tax expenses[1]	**95,572**	**14,264**
Adjusted by tax effects from		
Tax-free investment income	–21,196	–17,873
Amortisation of value of business in force	3,025	26,438
Tax-neutral consolidation effect	9	–79
Other non-deductible expenses/other tax-exempt income	–16,264	16,001
Changes in tax rates	–5	2,024
Deviations in tax rates	–35,556	–26,063
Tax deducted at source	1,476	1,562
Taxes for previous years	12,311	8,206
Lapse/impairment of loss carryforwards and other	25,014	8,293
Income tax expenses	**64,385**	**32,775**
Average effective tax burden (in per cent)	**16.8**	**57.4**

[1] Earnings before taxes multiplied by the corporate income tax rate

The basic corporate income tax rate applied for all segments was 25 per cent. National tax regulations in conjunction with life insurance profit participation may lead to a different calculated income tax rate.

In January 2022, the decision was taken in Austria to reduce the corporate tax rate to 24 per cent in 2023 and to 23 per cent from 2024. If the new corporate tax rates were applied to the deferred tax assets or liabilities recognised at 31 December 2021 in respect of Austrian Group companies (in total, surplus of deferred tax liabilities), the surplus of deferred tax liabilities would be reduced by €10,271 thousand and €20,543 thousand, respectively.

Group taxation

In Austria, UNIQA exercises the option of forming a group of companies for tax purposes. There are three taxable groups of companies with the parent groups UNIQA Insurance Group AG, PremiQaMed Holding GmbH and R-FMZ Immobilienholding GmbH.

The group members are generally charged, or relieved by, the corporation tax amounts attributable to them by the parent group through the distribution of their tax burden in the tax group. Losses from foreign group members are also included within the scope of taxable profits. The tax realisation for these losses is accompanied by a future tax obligation to pay income taxes at an unspecified point in time. A corresponding provision is therefore formed for future subsequent taxation of foreign losses.

16. Deferred taxes

The calculation of deferred taxes is based on the specific tax rates of each country, which were between 9 and 25 per cent in the financial year (2020: between 9 and 25 per cent).

The deferred tax assets and deferred tax liabilities stated in the consolidated statement of financial position performed as follows:

Net deferred tax

In € thousand

At 1 January 2020	**–352,302**
Changes recognised in profit/(loss)	4,867
Changes recognised in other comprehensive income	–50,057
Changes due to changes in basis of consolidation	–18,964
Foreign exchange differences	1,166
At 31 December 2020	**–415,291**
At 1 January 2021	**–415,291**
Changes recognised in profit/(loss)	34,789
Changes recognised in other comprehensive income	87,526
Changes due to changes in basis of consolidation	–3,917
Foreign exchange differences	–346
At 31 December 2021	**–297,240**

Changes recorded in other comprehensive income essentially relate to measurements of financial instruments available-for-sale and remeasurements of defined benefit obligations.

The differences between the tax carrying amounts and the carrying amounts in the IFRS consolidated statement of financial position have the following effect:

In € thousand	31/12/2021	31/12/2020
Deferred tax assets		
Technical items	72,087	54,528
Investments	50,820	54,482
Actuarial gains and losses on defined benefit obligations	54,909	73,309
Loss carried forward	43,890	17,046
Other items	62,604	89,675
Total	**284,309**	**289,040**
Netting effect	–199,400	–280,447
Total after netting	**84,909**	**8,594**
Deferred tax liabilities		
Technical items	310,970	358,749
Investments	217,444	316,586
Actuarial gains and losses on defined benefit obligations	1	1
Other items	53,134	28,994
Total	**581,549**	**704,331**
Netting effect	–199,400	–280,447
Total after netting	**382,149**	**423,884**
Net deferred tax	**–297,240**	**–415,291**

The temporary differences in connection with shares in subsidiaries and associates for which no deferred tax liabilities were recognised amounted to €2,050,441 thousand (2020: €1,778,691 thousand).

An assessment of the ability to realise deferred tax assets for tax losses not yet used, tax credits not yet used and deductible temporary differences requires an estimate of the amount of future taxable profits. The resulting forecasts are based on business plans that are prepared, reviewed and approved using a uniform procedure throughout the company. Especially convincing evidence regarding the value and future chance of realisation of deferred tax assets is required under internal Group policies if the relevant Group company has suffered a loss in the current or a prior period.

The deferred tax assets stated include €43,890 thousand (2020: €17,046 thousand) attributable to tax loss carryforwards. Deferred tax assets from loss carryforwards in the amount of €33,009 thousand (2020: €11,023 thousand) were not recognised, as a realisation of these in the near future cannot be assumed, taking maturities into account.

The tax loss carryforwards of €328,011 thousand (2020: €139,365 thousand) are forfeited as follows, with “more than 5 years” also including tax loss carryforwards with no forfeit date of €301,429 thousand (2020: €112,986 thousand).

In € thousand	31/12/2021	31/12/2020
Up to 1 year[1]	4,227	8,358
2 to 5 years[2]	7,832	12,336
More than 5 years[3]	315,952	118,671
Total	**328,011**	**139,365**

[1] Loss carryforwards for which no deferred tax assets have been recognised amount to €1,456 thousand at 31 December 2021 (31 December 2020: €1,081 thousand).
[2] Loss carryforwards for which no deferred tax assets have been recognised amount to €2,754 thousand at 31 December 2021 (31 December 2020: €5,455 thousand).
[3] Loss carryforwards for which no deferred tax assets have been recognised amount to €140,206 thousand at 31 December 2021 (31 December 2020: €53,409 thousand).

The tax loss carryforwards include both loss carryforwards on which deferred tax assets have been recognised and loss carryforwards on which no deferred tax assets have been recognised.

Social capital

17. Defined benefit plans

There are individual contractual pension obligations, individual contractual bridge payments, and pension allowances in accordance with association recommendations.

The calculation of defined benefit obligations is carried out annually using the projected unit credit (PUC) method. If the calculation results in a potential asset, the asset recognised is limited to the present value of any economic benefit available in the form of future refunds from the plan or reductions in future contributions to the plan. Any valid minimum funding requirements are included in the calculation of the present value of the economic benefit.

Remeasurement of net liabilities from defined benefit plans are recognised directly in other comprehensive income. The remeasurement includes the actuarial gains and losses, the income from plan assets (not including projected interest income) and the effect of any asset ceiling. Net interest expenses (income) on net liabilities (assets) from defined benefit plans are calculated for the reporting period by applying the discount rate. The discount rate was used to measure the defined benefit obligation at the start of the annual reporting period. This discount rate is applied to net liabilities (assets) from defined benefit plans on this date. Any changes in net liabilities (assets) from defined benefit plans resulting from contribution and benefit payments over the course of the reporting period are taken into account. Net interest expenses and other expenses for defined benefit plans are recognised through profit or loss in profit/(loss) for the period.

If a plan's defined benefits are changed or a plan is curtailed, the resulting change in the benefit relating to past service costs or the gain or loss on the curtailment is recognised directly in profit/(loss) for the period. Gains and losses from the settlement of a defined benefit plan are recognised at the date of the settlement. The defined benefit obligations are stated under the balance sheet item "Other provisions".

Pension entitlements

Individuals who hold an individual contractual agreement can generally claim a pension when they reach the age of 60 or 65, subject to certain conditions. The amount of the pension generally depends on the number of their years of service and their last salary before leaving their active employment. In the event of death, the spouse of the individual entitled to the claim receives a pension at 60 per cent, 50 per cent or 40 per cent depending on the policy. The pensions are suspended for any period in which a termination benefit is paid, and their value is generally guaranteed. The pensions that are based on individual policies or on association recommendations are financed through provisions. The final pension contribution which guarantees a fixed cash value for when the beneficiary begins their retirement is set aside during the contribution phase and transferred to the pension fund at the time of retirement. The financing is specified in the pension fund's business plan, in the works council agreement and in the pension fund contract.

Termination benefit entitlements

In the case of employees of Austrian companies whose employment began prior to 31 December 2002 and lasted three years without interruption, the employee is entitled to termination benefits when the employment is terminated, unless the employee resigns, leaves without an important reason or is dismissed.

Defined benefit obligations
In € thousand

	Defined benefit obligations for pensions	Plan assets at fair value	Net defined benefit obligations for pensions	Termination benefits	Total defined benefit obligations
At 1 January 2021	**527,562**	**–100,632**	**426,930**	**140,560**	**567,490**
Current service costs	21,268	0	21,268	4,480	25,748
Interest expense/income	1,826	–284	1,542	–111	1,432
Past service costs and gains or losses from settlements	–2,997	0	–2,997	–4,060	–7,057
Components of defined benefit obligations recognised in the income statement	**20,097**	**–284**	**19,813**	**310**	**20,123**
Return on plan assets recognised in other comprehensive income	0	–6,150	–6,150	0	–6,150
Actuarial gains and losses that arise from changes in demographic assumptions	52	0	52	–57	–5
Actuarial gains and losses that arise from changes in financial assumptions	–38,127	0	–38,127	–3,681	–41,808
Actuarial gains and losses that arise from experience adjustments	–16,076	0	–16,076	–867	–16,943
Other comprehensive income	**–54,151**	**–6,150**	**–60,301**	**–4,605**	**–64,906**
Changes from currency translation	–1	0	–1	115	115
Payments	–17,973	630	–17,343	–20,784	–38,127
Contribution to plan assets	0	–11,227	–11,227	0	–11,227
Transfer in	298	0	298	1,718	2,015
Transfer out	–21,721	21,333	–388	–4,968	–5,356
Change in basis of consolidation	–348	0	–348	–3,851	–4,199
At 31 December 2021	**453,764**	**–96,329**	**357,434**	**108,493**	**465,927**

Defined benefit obligations
In € thousand

	Defined benefit obligations for pensions	Plan assets at fair value	Net defined benefit obligations for pensions	Termination benefits	Total defined benefit obligations
At 1 January 2020	**498,469**	**–100,536**	**397,933**	**134,318**	**532,251**
Current service costs	20,936	0	20,936	10,524	31,460
Interest expense/income	3,901	–713	3,188	378	3,567
Past service costs and gains or losses from settlements	–2,156	0	–2,156	0	–2,156
Components of defined benefit obligations recognised in the income statement	**22,682**	**–713**	**21,969**	**10,902**	**32,871**
Return on plan assets recognised in other comprehensive income	0	10	10	0	10
Actuarial gains and losses that arise from changes in demographic assumptions	57	0	57	–62	–5
Actuarial gains and losses that arise from changes in financial assumptions	32,306	0	32,306	3,822	36,129
Actuarial gains and losses that arise from experience adjustments	941	0	941	–694	248
Other comprehensive income	**33,305**	**10**	**33,315**	**3,066**	**36,381**
Changes from currency translation	–43	0	–43	27	–16
Payments	–17,171	624	–16,547	–7,537	–24,085
Contribution to plan assets	91	–9,831	–9,741	0	–9,741
Transfer in	75	0	75	–217	–142
Transfer out	–9,846	9,816	–31	0	–31
At 31 December 2020	**527,562**	**–100,632**	**426,930**	**140,560**	**567,490**

The plan assets for the defined benefit obligations are comprised as follows:

In per cent	31/12/2021		31/12/2020	
	Listed	Unlisted	Listed	Unlisted
Bonds – euro	22.2	1.6	22.4	1.3
Corporate bonds – euro	24.2	1.1	30.4	1.0
Equities – euro	11.9	0.1	9.5	0.0
Equities – non-euro	11.1	0.4	7.2	0.0
Equities – emerging markets	4.5	0.0	4.1	0.0
Alternative investment instruments	8.1	2.1	4.2	10.1
Land and buildings	0.0	5.1	0.0	4.9
Cash	2.7	4.7	0.0	4.7
Total	**85.0**	**15.0**	**78.0**	**22.0**

Contributions to plan assets are expected for the coming year in the amount of €5,765 thousand.

The measurement of the defined benefit obligations is based on the following actuarial calculation parameters:

Calculation factors applied
In per cent

	2021	2020
Discount rate in termination benefits	0.4	0.8
Discount rate in pensions	1.0	1.0
Valorisation of remuneration	3.0	2.9
Valorisation of pensions	2.0	2.0
Employee turnover rate	dependent on years of service	dependent on years of service
Calculation principles	AVÖ 2018 P – salaried employees	AVÖ 2018 P – salaried employees

Weighted average duration in years

	Pensions	Termination benefits
31 December 2021	**13.7**	**7.4**
31 December 2020	**13.4**	**7.1**

The essential risks from the benefit plan are limited to the investment risk, the interest rate risk, life expectancy as well as salary risk.

The sensitivity of the defined benefit obligations on changes in the weighted actuarial calculation parameters is:

Sensitivity analysis
In per cent

	Pensions		Termination benefits	
	2021	2020	2021	2020
Remaining life expectancy				
Change in DBO (+1 year)	3.0	3.1		
Change in DBO (–1 year)	–3.1	–3.3		
Discount rate				
Change in DBO (+1 percentage point)	–11.6	–12.5	–6.0	–6.6
Change in DBO (–1 percentage point)	14.6	15.7	6.8	7.5
Future salary increase rate				
Change in DBO (+0.75%)	4.8	4.6	4.8	5.3
Change in DBO (–0.75%)	–4.2	–3.9	–4.5	–4.9
Future pension increase rate				
Change in DBO (+0.25%)	3.4	3.7		
Change in DBO (–0.25%)	–3.3	–3.5		

18. Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as expenses through profit or loss as soon as the associated work is performed. Prepaid contributions are recognised as assets if an entitlement to refund or reduction of future payments arises. The defined contribution plan is financed largely by UNIQA.

Pension entitlements

Board members, special policyholders and active employees in Austria are subject to a basic defined contribution pension fund scheme. The beneficiaries are also entitled to a final pension fund contribution which guarantees them a fixed cash value when they begin their retirement. Since the first pension to be paid out to the beneficiaries has a fixed benefit amount, this commitment is to be classified as a defined benefit in the contribution phase. The works council agreement states the extent to which a final pension fund contribution is provided to the beneficiary's individual assurance cover account in the event of a transfer to the old-age pension or of an incapacity to work or the death of a participant. UNIQA has no obligations during the benefit phase.

Contributions to company pension funds

Under the defined contribution company pension scheme, the employer pays the fixed amounts into company pension funds. The insurance contributions to company pension funds amounted to €4,501 thousand (2020: €4,537 thousand). The employer has satisfied their obligation by making these contributions.

19. Restructuring measures

In November 2020, the Supervisory Board agreed on restructuring measures, which mainly involved reducing the number of employees at the Austrian site. The restructuring provision formed for this purpose in the previous year was reduced to €57.2 million by the release of unused provisions amounting to €3.4 million and by the utilisation of €38.0 million in the current year.

The provision for restructuring measures is stated under the balance sheet item "Other provisions".

20. Employees

Personnel expenses

In € thousand

	1–12/2021	1–12/2020
Salaries	520,048	444,997
Expenses for termination benefits	310	10,902
Pension expenses	19,813	21,969
Expenditure on mandatory social security contributions as well as income-based charges and compulsory contributions	140,293	127,861
Other social expenditures	7,016	5,631
Personnel-related restructuring expenses	0	96,319
Total	**687,480**	**707,679**
of which sales	123,044	133,748
of which administration	563,693	574,322
of which retirees	742	–391

Average number of employees

	31/12/2021	31/12/2020
Total	**14,849**	**13,408**
of which sales	4,005	4,138
of which administration	10,844	9,271

Equity

21. Subscribed capital and capital reserves

The share capital is comprised of 309,000,000 no-par value bearer shares. Capital reserves include unallocated capital reserves, which primarily result from share premiums.

A dividend of €0.18 per share was paid on 14 June 2021. This corresponds with a distribution amounting to €55,254thousand. Subject to the approval of the Annual General Meeting, a dividend payment in the amount of €0.55 per share is planned for the financial year, which equates to a distribution in the amount of €168,831 thousand.

22. Treasury shares

Treasury shares

	31/12/2021	31/12/2020
UNIQA Insurance Group AG		
Number of shares	819,650	819,650
Cost in € thousand	10,857	10,857
Share of subscribed capital in %	0.27	0.27
UNIQA Österreich Versicherungen AG		
Number of shares	1,215,089	1,215,089
Cost in € thousand	5,756	5,756
Share of subscribed capital in %	0.39	0.39
Total	**2,034,739**	**2,034,739**

Authorisations of the Management Board

In accordance with the resolution of the Annual General Meeting dated 20 May 2019, the Management Board is authorised to increase the company's share capital up to and including 30 June 2024 with the approval of the Supervisory Board by a total of up to €80,000,000 by issuing up to 80,000,000 no-par-value bearer or registered shares in exchange for payment in cash or in kind, one time or several times.

In accordance with the resolution of the Annual General Meeting dated 25 May 2020, the Group Management Board was again authorised to acquire, with the approval of the Supervisory Board, treasury shares for a period of 30 months from 30 November 2020 (the authorisation granted in accordance with the resolution of the Annual General Meeting on 28 May 2018 expired at 29 November 2020). The proportion of the share capital represented by newly acquired shares, together with the proportion of other treasury shares that the company has already acquired and still holds, may not exceed 10 per cent of the share capital. The authorisation to acquire treasury shares also includes the acquisition of shares in the company by subsidiaries of the company.

The treasury equities held via UNIQA Österreich Versicherungen AG stem from the merger of BL Syndikat Beteiligungs Gesellschaft m.b.H., the assigning company, with UNIQA Insurance Group AG, the acquiring company. These shares held are not to be counted towards the 10 per cent limit.

23.Capital management

Capital management takes place with due regard to the regulatory and statutory requirements. After Solvency II came into force on 1 January 2016, the definitions and methods used to calculate available own funds, as well as risk capital requirements and management standards, were replaced by Solvency II standards.

The eligible own funds comprise the consolidated Tier 1 capital, which essentially consisted of the subscribed share capital including the allocated share premium account and the reconciliation reserve. The Tier 2 capital consists entirely of subordinated liabilities. Tier 3 own fund items are mainly net deferred tax assets.

In the context of Group management, the appropriate coverage of the solvency capital requirement in accordance with Solvency II on a consolidated basis is constantly monitored. Active capital management is implemented in order to ensure that the individual Group companies and the Group as a whole have a reasonable capital base at all times. Aside from the five-year planning, another objective of active capital management is also to actively guarantee UNIQA's financial capacity, including under difficult economic conditions, in order to safeguard the continued existence of the insurance business.

In addition to the regulatory requirements to meet solvency capital/minimum capital requirements, UNIQA has also set itself a target capitalisation for the Group in the form of a solvency capital ratio – i.e. the eligible own funds in relation to the solvency capital requirement – of at least 170 per cent. The solvency capital ratio is managed using strategic measures which result in a reduction in the capital requirements and/or increase the amount of existing capital.

UNIQA also takes the potential impact on the rating by recognised rating agencies into account in the capital management process. Standard & Poor's (S&P) currently applies a credit rating of "A–" to UNIQA Insurance Group AG. In the S&P capital model UNIQA achieves significant surplus coverage for the current level. UNIQA assumes that it will secure its surplus coverage of the AA level at a minimum in the long term and will also improve the rating in line with the corporate strategy as a result.

UNIQA Österreich Versicherungen AG and UNIQA Re AG each have a rating of "A". The supplementary capital bond issued in 2013 (initially: €350.0 million, open amount remaining: €148.7 million, Tier 2, first call date: 31 July 2023), is rated "BBB" by S&P. In addition, the subordinated capital bond issued in 2015 (initially: €500.0 million, open amount remaining: €326.3 million, Tier 2, first call date: 27 July 2026), the bond issued in 2020 (€200.0 million, Tier 2, first call date: 9 July 2025) and the bond issued in 2021 (€375.0 million, Tier 2, first call date: 9 June 2031) are rated "BBB" by S&P. The agency rates the outlook for all companies as "stable".

24. Non-controlling interests

Non-controlling interests are measured at the acquisition date with their proportionate share in the identifiable net assets of the acquired entity.

Changes in the share in a subsidiary that do not result in a loss of control are recognised directly as equity transactions with non-controlling interests.

Share of equity

In € thousand

	Sigal Group[1]	Raiffeisen Life Insurance Company LLC	Non-controlling interests that are not material on a stand-alone basis	Total
At 1 January 2020	**4,473**	**13,170**	**1,756**	**19,399**
Profit/(loss) for the period	621	4,177	78	4,876
Other comprehensive income	−47	−2,405	−1,655	−4,107
Other changes in equity	75	−1,651	6,169	4,593
At 31 December 2020	**5,122**	**13,290**	**6,348**	**24,760**
At 1 January 2021	**5,122**	**13,290**	**6,348**	**24,760**
Profit/(loss) for the period	610	3,410	−812	3,207
Other comprehensive income	722	−4,369	−536	−4,182
Other changes in equity	−1,001	−2,630	−477	−4,108
At 31 December 2021	**5,454**	**9,701**	**4,523**	**19,678**

[1]) Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group

Share of assets and liabilities[2]

In € thousand

	Sigal Group[1]		Raiffeisen Life Insurance Company LLC		Non-controlling interests that are not material on a stand-alone basis		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Assets								
Current assets	2,251	1,768	1,561	1,098	1,855	2,478	5,666	5,344
Non-current assets	17,259	16,485	80,170	80,159	21,441	24,464	118,870	121,108
Cash	419	340	1,264	802	2,018	2,755	3,701	3,897
	19,929	**18,593**	**82,995**	**82,059**	**25,314**	**29,697**	**128,238**	**130,348**
Liabilities								
Current liabilities	1,192	1,167	1,702	1,628	1,592	2,042	4,486	4,836
Non-current liabilities	13,283	12,303	71,592	67,141	19,199	21,307	104,075	100,751
	14,475	**13,470**	**73,294**	**68,769**	**20,791**	**23,349**	**108,560**	**105,588**
Net assets	**5,454**	**5,122**	**9,701**	**13,290**	**4,523**	**6,348**	**19,678**	**24,760**

[1]) Albania/Kosovo/North Macedonia as subgroup of the SIGAL Group
[2]) The summarised financial information corresponds to the amounts before intercompany eliminations.

Financial debts

25. Subordinated liabilities

In July 2013, UNIQA Insurance Group AG successfully placed a supplementary capital bond to the value of €350 million with institutional investors in Europe. The bond has a maturity period of 30 years and cannot be terminated until after 10 years. The coupon equals 6.875 per cent per annum during the first ten years, after which a variable interest rate applies. The supplementary capital bond satisfies the requirements for equity netting as Tier 2 capital under the Solvency II regime. The issue was also aimed at replacing older supplementary capital bonds from Austrian insurance groups and at bolstering UNIQA's capital resources and capital structure in preparation for Solvency II and optimising these over the long term. The supplementary capital bond has been listed on the Luxembourg Stock Exchange since the end of July 2013. The issue price was set at 100 per cent.

In July 2015, UNIQA Insurance Group AG successfully placed a subordinated capital bond (Tier 2) to the value of €500 million with institutional investors in Europe. The bond is eligible for netting as Tier 2 capital under Solvency II. The bond is scheduled for repayment after a period of 31 years and subject to certain conditions, and can only be cancelled by UNIQA after eleven years have elapsed and under certain conditions. The coupon equals 6.00 per cent per annum during the first eleven years, after which a variable interest rate applies. The bond has been listed on the Vienna Stock Exchange since July 2015. The issue price was set at 100 per cent.

In July 2020 a subordinated bond was also issued in the amount of €200 million at an issue price of 99.507 per cent of the nominal amount. With a term of 15.25 years, it may be terminated for the first time after 5.25 years subject to certain conditions. The annual interest rate is fixed at 3.25 per cent for the first 5.25 years, after which a variable interest rate applies. The bond is eligible for netting as Tier 2 capital under Solvency II. By issuing a green bond, UNIQA has committed to finance or refinance suitable assets in accordance with the Green Bond Framework at the same level as the issue proceeds. The bond issue has been listed on the Vienna Stock Exchange since July 2020.

UNIQA repurchased subordinated bonds with a total nominal value of €375 million in December 2021. The buy-back relates to €201.3 million subordinated bonds placed in 2013 and €173.7 million subordinated bonds placed in 2015. At the same time, a new subordinated bond with a nominal amount of €375 million was placed. This bond is scheduled for repayment after a period of 20 years, is subject to certain conditions, and can only be cancelled by UNIQA after ten years have elapsed and under certain conditions. During the first ten years, the interest rate is fixed at 2.375 per cent per annum, after which a variable interest rate applies. The issue price was set at 99.316 per cent of the nominal amount. The subordinated bond is eligible as Tier 2 basic own funds in accordance with the regulatory requirements. By issuing a green bond, UNIQA has committed to making investments in accordance with the Green Bond Framework at the same level as the issue proceeds. The buy-back premium associated with the buy-back amounts to approximately €65 million and was recognised in the finance costs.

26. Financial liabilities

In July 2020 UNIQA Insurance Group AG issued a senior bond in the amount of €600 million at an issue price of 99.436 per cent of the nominal amount. It has a term of ten years at a nominal interest rate of 1.375 per cent. The proceeds are used to finance the purchase of former AXA companies in Poland, the Czech Republic and Slovakia.

Carrying amounts

In € thousand

	Long term		Short term		Total	
	2021	2020	2021	2020	2021	2020
Subordinated liabilities	**1,042,838**	**1,045,451**	**14,721**	**24,469**	**1,057,559**	**1,069,920**
Financial liabilities						
Liabilities from bonds and loans	595,534	606,142	3,955	3,955	599,490	610,098
Derivative financial instruments	11,828	292	10,015	1,617	21,843	1,908
Lease liabilities	93,979	73,609	8,005	7,951	101,984	81,560
Total	**701,341**	**680,043**	**21,975**	**13,523**	**723,317**	**693,566**

Changes in financial liabilities

In € thousand

	Subordinated liabilities	Liabilities from bonds and loans	Provisions for derivative business	Lease liabilities	Financial liabilities Total	Changes in financial liabilities
At 1 January 2020	**870,110**	**12,004**	**670**	**62,842**	**75,516**	**945,625**
Proceeds from other financing activities	197,826	595,045	0	0	595,045	792,871
Payments from other financing activities	0	–9,046	0	–13,768	–22,815	–22,815
Currency translation	0	0	–7	–343	–350	–350
Change in basis of consolidation	0	8,140	0	29,744	37,883	37,883
Other changes	1,984	3,955	1,246	3,086	8,287	10,271
of which interest expenses	57,762	6,236	0	759	6,995	64,758
of which interest payments (presented as net cash flow from operating activities)	–55,701	0	0	–759	–759	–56,460
At 31 December 2020	**1,069,920**	**610,098**	**1,908**	**81,560**	**693,566**	**1,763,485**
At 1 January 2021	**1,069,920**	**610,098**	**1,908**	**81,560**	**693,566**	**1,763,485**
Proceeds from other financing activities	370,323	0	0	0	0	370,323
Payments from other financing activities	–375,000	–35,954	0	–16,906	–52,860	–427,860
Currency translation	0	0	13	424	438	438
Change in basis of consolidation	0	24,856	0	0	24,856	24,856
Other changes	–7,683	490	19,921	36,906	57,317	49,634
of which interest expenses	124,429	9,335	0	998	10,333	134,762
of which interest payments (presented as net cash flow from operating activities)	–134,408	–8,250	0	–998	–9,248	–143,656
At 31 December 2021	**1,057,559**	**599,490**	**21,843**	**101,984**	**723,317**	**1,780,876**

27. Liabilities and other items classified as liabilities

In € thousand

	31/12/2021	31/12/2020
Reinsurance liabilities		
Deposits retained on assumed reinsurance	101,274	116,113
Reinsurance settlement liabilities	61,438	46,555
	162,712	**162,668**
Insurance liabilities		
to policyholders	161,395	183,672
to insurance brokers	77,063	83,254
to insurance companies	27,047	17,411
	265,505	**284,337**
Other liabilities		
Personnel-related obligations	111,540	86,839
Liabilities from services	135,858	122,152
Liabilities from investment contracts	137,477	122,807
Other tax liabilities (without income tax)	71,003	55,964
Other liabilities	133,103	159,453
	588,981	**547,216**
Subtotal	**1,017,197**	**994,221**
of which liabilities with a maturity of		
up to 1 year	859,557	889,166
more than 1 year and up to 5 years	37,067	30,600
more than 5 years	120,573	74,454
	1,017,197	**994,221**
Total liabilities and other items classified as liabilities	**1,017,197**	**994,221**

Other non-technical income and expenses

28. Other income

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	30,264	46,685
Health insurance	155,902	144,693
Life insurance	114,215	25,171
Of which:		
Revenues from medical services	153,092	142,676
Revenues from pension and investment funds	100,840	10,440
Revenues from other services	15,033	17,069
Changes in exchange rates	13,507	30,471
Other	17,909	15,893
Total	**300,381**	**216,548**

Revenues from medical services are almost always realised at the time of purchase.

Pension and investment fund revenues include fees charged by the funds to fund holders for managing the fund’s assets. These are time-period-related benefits that concern the period of one year.

29. Other expenses

In € thousand

	1–12/2021	1–12/2020
Property and casualty insurance	44,153	38,518
Health insurance	154,754	146,556
Life insurance	51,711	45,423
Of which:		
Expenses for medical services	150,348	142,455
Expenses of pension and investment funds	27,191	7,630
Expenses for other services	26,572	20,667
Exchange rate losses	15,331	35,437
Other	31,176	24,309
Total	**250,619**	**230,497**

Other disclosures

30. Group holding company

UNIQA's Group holding company is UNIQA Insurance Group AG. In addition to its duties as Group holding company, this company also performs the duties of a reinsurer.

31. Remuneration for the Management Board and Supervisory Board

The members of the Management Board of UNIQA Insurance Group AG assume a dual operational role in their function, as they also hold the Management Board function at UNIQA Österreich Versicherungen AG. This identical composition of the Management Board in both companies enables efficient control of the UNIQA Group. From 1 July 2020 all employment contracts of the members of the Management Board are with UNIQA Insurance Group AG, which pays out all remuneration from this date.

Remuneration of the Management Board

In € thousand

	1–12/2021	1–12/2020
Fixed remuneration[1)]	4,675	4,377
Variable remuneration[2)]	806	2,217
Multi-year share-based remuneration[3)]	1,140	2,137
Current remuneration	**6,621**	**8,731**

1) The fixed salary components include remuneration in kind equivalent to €103 thousand (2020: €110 thousand).
2) The variable remuneration solely includes the deferred components from the short-term incentive (STI) of the 2017 financial year. The deferred components of the STI comprises 40% of the entitlement and is paid out after three financial years.
3) The long-term incentive (LTI) as a variable remuneration component corresponds to a share-based payment agreement which entitles the holder to receive a cash settlement after a four-year term if agreed target values are reached.

For the 2018 financial year, anticipated payments for the deferred component of the variable remuneration (STI) in 2022 will amount to €909 thousand. For the 2019 financial year, payments of €795 thousand are expected in the year 2023. For the 2020 financial year no short-term incentive was made, due to Covid-19. For the 2021 financial year, payments of €3,822 thousand are expected to be made in the years 2022 and 2025. For the 2021 financial year, payments of €4,124 thousand will be made in subsequent years.

As part of the multi-year share-based remuneration (long-term incentive plan – LTI), payments amounting to €1,140 thousand were made to the members of the Management Board of UNIQA Insurance Group AG in 2021 from the 2017 LTI allocation. For the subsequent years 2022 to 2025, a payment of €4,334 thousand is expected for the virtual shares allocated up to 31 December 2021.

In the reporting year, a total of €1,245 thousand (2020: €1,024 thousand) was paid for pension commitments and reinsurance for members of the Management Board (the premium for reinsurance amounts to €463 thousand). The amount expended on pensions in the reporting year for former members of the Management Board and their survivors was €2,043 thousand (2020: €2,084 thousand).

The remuneration of the members of the Supervisory Board for their work in the 2020 financial year was €790 thousand. Provisions of €835 thousand have been recognised for the remuneration to be paid for their work in the 2021 financial year. The amount paid out in attendance fees and cash expenditures in the financial year was €65 thousand (2020: €75 thousand). Since 14 April 2020, the members of the Supervisory Board of UNIQA Insurance Group AG who are also members of the Supervisory Board of UNIQA Österreich Versicherungen AG have received their daily allowances and remuneration exclusively from UNIQA Insurance Group AG despite their dual function. These daily allowances and remunerations therefore also cover the Supervisory Board activities at UNIQA Österreich Versicherungen AG.

32.Share-based payment agreement with cash settlement

A share-based remuneration programme has been in place for the members of the Management Boards of UNIQA Insurance Group AG and UNIQA Österreich Versicherungen AG since the 2013 financial year. As part of this programme, UNIQA virtual shares are granted conditionally for each financial year on the basis of allocation values defined in the service contract, based on the average price of UNIQA ordinary shares in the period of six months prior to the start of the performance period. Cash payments subject to agreed limits are provided for at the end of a performance period of four years for the individual annual tranches or depending on certain key performance targets.

The selected key performance targets are aimed at ensuring a relative market-based performance measurement and absolute performance measurement in accordance with the individual corporate objectives of the UNIQA Group. These defined equally-weighted key performance targets include the total shareholder return (TSR) of the UNIQA ordinary share compared with the TSR of the shares in the companies on the DJ EURO STOXX TMI Insurance, the P&C Net Combined Ratio in UNIQA's property and casualty business and the return on risk capital (the return on equity required).

The programme stipulates annual investments in UNIQA shares with a holding period also of four years in each case.

The cash settlement is calculated as follows for each tranche of shares: payment = A × B × C

A = number of virtual shares awarded for the performance period.

B = average price of the UNIQA ordinary share in the period of six months before the end of the performance period.

C = degree of target achievement at the end of the performance period. The maximum target achievement is 200 per cent.

The fair value on the date that share-based payment awards are granted is recognised as expense over the period in which the unconditional entitlement to the award is obtained. The fair value is based on expectations with respect to achievement of the defined key performance targets. Changes in measurement assumptions result in an adjustment of the recognised provision amounts affecting income. Obligations from share-based remuneration are stated under "Other provisions".

As at 31 December 2021 a total of 1,189,267 virtual shares (2020: 1,139,469 shares) were relevant for the measurement. The fair value of share-based remuneration (excluding non-wage labour costs) at the reporting date amounts to €5,463 thousand (2020: €3,993 thousand).

33. Relationships with related companies and persons

Companies in the UNIQA Group maintain various relationships with related companies and persons.

Related companies refer to companies which exercise either a controlling or a significant influence on UNIQA. The group of related companies also includes the non-consolidated subsidiaries, associates and joint ventures of UNIQA.

Related persons include the members of management holding key positions along with their close family members. This covers in particular the members of management in key positions at those companies which exercise either a controlling or a significant influence on the UNIQA Group, along with their close family members.

Transactions and balances with related companies

In € thousand

	Companies with significant influence on UNIQA Group	Affiliated but not consolidated companies	Associated companies of UNIQA Group	Other related parties	Total
Transactions in 2021					
Premiums written (gross)	985	35	615	30,317	31,951
Income from investments	8,750	433	109,564	355	119,102
Expenses from investments	–1,622	0	0	–301	–1,923
Other income	196	7,364	1,511	396	9,467
Other expenses	–2,339	–6,294	–3,278	–30,389	–42,301
At 31 December 2021					
Investments	221,559	10,226	656,393	93,278	981,456
Cash	201,367	0	0	51,432	252,799
Receivables, including insurance receivables	0	3,456	1	2,910	6,366
Liabilities and other items classified as liabilities	0	2,466	158	4,481	7,105

In € thousand

	Companies with significant influence on UNIQA Group	Affiliated but not consolidated companies	Associated companies of UNIQA Group	Other related parties	Total
Transactions in 2020					
Premiums written (gross)	966	34	1,238	21,151	23,389
Income from investments	1,695	566	14,116	4,299	20,677
Expenses from investments	–1,647	0	0	–2,491	–4,138
Other income	157	7,384	1,922	385	9,847
Other expenses	–2,574	–8,886	–2,092	–25,576	–39,128
At 31 December 2020					
Investments	182,630	16,270	689,036	47,409	935,345
Cash	293,184	0	0	45,422	338,606
Receivables, including insurance receivables	112	10,161	1	3,687	13,961
Liabilities and other items classified as liabilities	0	4,222	135	5,133	9,489

Transactions with related persons

In € thousand

	1–12/2021	1–12/2020
Premiums written (gross)	850	898
Salaries and short-term benefits [1]	–9,707	–4,915
Pension expenses	–2,128	–2,015
Compensation on termination of employment contract	–172	–174
Expenditures for share-based payments	–2,685	0
Other income	262	275
Other expenses	–130	–144

[1] This item includes fixed and variable Management Board remuneration and remuneration of the Supervisory Board.

34. Other financial obligations and contingent liabilities

Options to purchase granted

There is also the possibility to acquire the company shares held by the minority shareholders through exercising a mutual option between UNIQA and the minority shareholders in the SIGAL Group in accordance with previously agreed purchase price formulas. A new option period was agreed by extending the previous shareholders' agreement, whereby the exercise period was agreed to be 1 July 2023 to 30 June 2024.

35. Expenses for the auditor of the financial statements

The auditor fees in the financial year were €1,843 thousand (2020: €2,340 thousand); of which €382 thousand (2020: €386 thousand) is attributable to the annual audit, €1,363 thousand (2020: €1,660 thousand) to other auditing services and €98 thousand (2020: €294 thousand) to other general services.

36. Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by UNIQA. A company is considered to be controlled if:

- UNIQA is able to exercise power over the company,
- UNIQA is exposed to fluctuating returns from the participation and
- the level of returns can be influenced due to the power exercised.

The financial statements of subsidiaries are included in the consolidated financial statements from the date control begins until the date control ends.

Loss of control

If UNIQA loses control over a subsidiary, the subsidiary's assets and liabilities and all associated non-controlling interests and other equity components are deleted from the accounts. Any resulting profit or loss is recognised in profit/(loss) for the period. Any retained interest in the former subsidiary is measured at fair value at the date of the loss of control.

Investment in associates

Associates are all the entities over which UNIQA has significant influence but does not exercise control or joint control over their financial and operating policies. This is generally the case as soon as there is a voting share of between 20 and 50 per cent or a comparable significant influence is guaranteed legally or in practice via other contractual regulations. Inclusion in the basis of consolidation is based on the proportionate equity (equity method).

Pension and investment funds

Controlled pension and investment funds are included in the consolidation unless the relevant fund volumes were considered to be immaterial when viewed separately and as a whole. A fund is regarded as controlled if:

- UNIQA determines the relevant activities of the fund such as the determination of the investment strategy as well as short- and medium-term investment decisions,
- UNIQA has the risk of and the rights to variable successes of the fund in the form of distributions and participates in the performance of the fund assets and
- the determining power over the relevant activities is exercised in the interest of UNIQA by determining the investment objectives and the individual investment decisions.

Basis of consolidation	31/12/2021	31/12/2020
Consolidated companies		
Austria	31	33
Other countries	58	66
Associates		
Austria	4	4
Other countries	1	1
Consolidated pension and investment funds		
Austria	5	5
Other countries	8	6

Shares in subsidiaries that are not consolidated, associates as well as joint ventures that are not accounted for using the equity method are classified as financial assets available-for-sale and stated under the item "Other investments".

37. Consolidation principles

Business combinations

If the Group has obtained control, it accounts for business combinations in line with the acquisition method. The consideration transferred for the acquisition and the identifiable net assets acquired are measured at fair value. Any profit from an acquisition at a price below the fair value of the net assets is recognised directly in profit/(loss) for the year. Transaction costs are recognised as expenses immediately.

The consideration transferred does not include any amounts associated with the fulfilment of pre-existing relationships. Such amounts are generally recognised in profit/(loss) for the year.

Any contingent obligation to pay consideration is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not revalued, and a settlement is accounted for within equity. Otherwise, later changes in the fair value of the contingent consideration are recognised in profit/(loss) for the period.

The acquisition of AXA companies did not result in any subsequent adjustments to the recognised assets and liabilities for the twelve-month valuation period.

Transactions eliminated on consolidation

Intragroup balances and transactions and all income and expenses from intragroup transactions are eliminated when consolidated financial statements are prepared.

Initial consolidation

UCP Private Equity UNIQA Cap.Partn.S.A. (Munsbach, Luxembourg) and UCP Infrastructure Equity UNIQA Cap.Partn.S.A. (Munsbach, Luxembourg) were subject to initial consolidation in the first quarter of 2021.

In the second quarter of 2021, Light Investment Cotroceni Srl (Bucharest, Romania) was consolidated for the first time.

CherryHUB BSC Kft. (Budapest, Hungary), PremiaFIT Facility und IT Management und Service GmbH (Vienna) and Real Versicherungsvermittlung GmbH (Vienna) were subject to initial consolidation in the fourth quarter. The initial consolidation of these companies has no material impact on UNIQA.

Acquisitions

The share transfer for the option exercised in the previous year to acquire the remaining shares in the UNIQA Insurance Company, Private Joint Stock Company, (Kiev, Ukraine) took place in the first quarter.

Restructuring processes

UNIQA Towarzystwo Ubezpieczeń S.A. (Lodz, Poland) was merged with AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A. (Warsaw, Poland) as the absorbing company in the second quarter of 2021 and was renamed UNIQA Towarzystwo Ubezpieczeń S.A. In addition, UNIQA Towarzystwo Ubezpieczeń na Życie S.A. (Lodz, Poland) was merged with AXA Życie Towarzystwo Ubezpieczeń S.A. (Warsaw, Poland) and its name was changed to UNIQA Towarzystwo Ubezpieczeń na Życie S.A.

AXA pojišťovna a.s. (Prague, Czech Republic), AXA životní pojišťovna a.s. (Prague, Czech Republic) and UNIQA poisťovňa a.s (Bratislava, Slovakia) were merged with UNIQA pojišťovna, a.s. (Prague, Czech Republic) as the acquiring company in the third quarter. Furthermore, UNIQA InsService spol. s r.o. (Bratislava, Slovakia) was merged with UNIQA Management Services s.r.o. (formerly: AXA Management Services s.r.o.) (Prague, Czech Republic) as the acquiring company. Also in the third quarter, Hotel Burgenland Betriebs GmbH (Vienna) was merged with UNIQA Real Estate GmbH (Vienna) as the acquiring company, Diakonissen & Wehrle Privatklinik GmbH (Vienna) was merged with PremiQaMed Privatkliniken GmbH (Vienna) as the acquiring company, and UNIQA Real Estate Bulgaria EOOD (Sofia, Bulgaria) was merged with UNIQA Real Estate CZ, s.r.o. (Prague, Czech Republic) as the acquiring company.

Agenta Risiko- und Finanzierungsberatung Ges.m.b.H. (Vienna) was merged with Real Versicherungsvermittlung GmbH (Vienna) as the acquiring company in the fourth quarter.

All of the aforementioned mergers took place retroactively effective 1 January 2021.

In addition, the merger of UNIQA Immobilien-Projekterrichtungs GmbH (Vienna) with UNIQA Insurance Group AG (Vienna) as the acquiring company took place in the fourth quarter with retroactive effect from 1 July 2021.

Deconsolidation

UNIQA Számítástechnikai Szolgáltató Kft. (Budapest, Hungary) was deconsolidated in the second quarter of 2021.

Liquidations

UNIQA Real Estate BV (Hoofddorp, Netherlands) was liquidated in the fourth quarter of 2021.

Sales

Reytarske LLC (Kiev, Ukraine) was sold in the fourth quarter.

Company	Type of consolidation	Location	Equity interest at 31/12/2021 in per cent	Equity interest at 31/12/2020 In per cent
Domestic insurance companies				
UNIQA Insurance Group AG (Group Holding Company)		Vienna		
UNIQA Österreich Versicherungen AG	Fully consolidated	Vienna	100.0	100.0
Foreign insurance companies				
AXA pojišťovna a.s. (Merger: 1/1/2021)	Fully consolidated	Czech Republic, Prague	0.0	100.0
AXA životní pojišťovna a.s. (Merger: 1/1/2021)	Fully consolidated	Czech Republic, Prague	0.0	100.0
Raiffeisen Life Insurance Company LLC	Fully consolidated	Russia, Moscow	75.0	75.0
SIGAL LIFE UNIQA Group AUSTRIA sh.a	Fully consolidated	Kosovo, Pristina	86.9	86.9
SIGAL LIFE UNIQA Group AUSTRIA sh.a.	Fully consolidated	Albania, Tirana	86.9	86.9
SIGAL UNIQA Group AUSTRIA sh.a.	Fully consolidated	Albania, Tirana	86.9	86.9
SIGAL UNIQA Group AUSTRIA sh.a.	Fully consolidated	Kosovo, Pristina	86.9	86.9
UNIQA AD Skopje	Fully consolidated	North Macedonia, Skopje	86.9	86.9
UNIQA Asigurari de Viata S.A.	Fully consolidated	Romania, Bucharest	100.0	100.0
UNIQA Asigurari S.A.	Fully consolidated	Romania, Bucharest	100.0	100.0
UNIQA Biztosító Zrt.	Fully consolidated	Hungary, Budapest	100.0	100.0
UNIQA Insurance Company, Private Joint Stock Company	Fully consolidated	Ukraine, Kiev	100.0	100.0
UNIQA Insurance plc	Fully consolidated	Bulgaria, Sofia	99.9	99.9
UNIQA Life AD Skopje	Fully consolidated	North Macedonia, Skopje	86.9	86.9
UNIQA Life Insurance plc	Fully consolidated	Bulgaria, Sofia	99.8	99.8
UNIQA LIFE Private Joint Stock Company	Fully consolidated	Ukraine, Kiev	100.0	100.0
UNIQA neživotno osiguranje a.d.	Fully consolidated	Serbia, Belgrade	100.0	100.0
UNIQA neživotno osiguranje a.d.	Fully consolidated	Montenegro, Podgorica	100.0	100.0
UNIQA osiguranje d.d.	Fully consolidated	Croatia, Zagreb	100.0	100.0
UNIQA osiguranje d.d.	Fully consolidated	Bosnia and Herzegovina, Sarajevo	100.0	100.0
UNIQA poisťovňa a.s. (Merger: 1/1/2021)	Fully consolidated	Slovakia, Bratislava	0.0	100.0
UNIQA pojišťovna, a.s.	Fully consolidated	Czech Republic, Prague	100.0	100.0
UNIQA Re AG	Fully consolidated	Switzerland, Zurich	100.0	100.0
UNIQA Towarzystwo Ubezpieczeń na Życie S.A. (Merger: 1/1/2021)	Fully consolidated	Poland, Lodz	0.0	99.8
UNIQA Towarzystwo Ubezpieczeń na Życie S.A. (formerly: AXA Życie Towarzystwo Ubezpieczeń S.A.)	Fully consolidated	Poland, Warsaw	100.0	100.0
UNIQA Towarzystwo Ubezpieczeń S.A. (Merger: 1/1/2021)	Fully consolidated	Poland, Lodz	0.0	98.6
UNIQA Towarzystwo Ubezpieczeń S.A. (formerly: AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A.)	Fully consolidated	Poland, Warsaw	99.7	100.0
UNIQA Versicherung AG	Fully consolidated	Liechtenstein, Vaduz	100.0	100.0
UNIQA životno osiguranje a.d.	Fully consolidated	Serbia, Belgrade	100.0	100.0
UNIQA životno osiguranje a.d.	Fully consolidated	Montenegro, Podgorica	100.0	100.0
Group domestic service companies				
Agenta Risiko- und Finanzierungsberatung Gesellschaft m.b.H. (Merger: 1/10/2021)	Fully consolidated	Vienna	0.0	100.0
Assistance Beteiligungs-GesmbH	Fully consolidated	Vienna	64.0	64.0
call us Assistance International GmbH	Fully consolidated	Vienna	50.2	50.2
Real Versicherungsvermittlung GmbH (Initial consolidation: 1/10/2021)	Fully consolidated	Vienna	100.0	100.0
UNIQA 5 Star GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Capital Markets GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA IT Services GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Real Estate Finanzierungs GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Real Estate Management GmbH	Fully consolidated	Vienna	100.0	100.0
Valida Holding AG	Equity method	Vienna	40.1	40.1
Versicherungsmarkt-Servicegesellschaft m.b.H.	Fully consolidated	Vienna	100.0	100.0

Company	Type of consolidation	Location	Equity interest at 31/12/2021 in per cent	Equity interest at 31/12/2020 In per cent
Group foreign service companies				
CherryHUB BSC Kft. (Initial consolidation: 31/12/2021)	Fully consolidated	Hungary, Budapest	100.0	100.0
DEKRA-Expert Műszaki Szakértői Kft.	Equity method	Hungary, Budapest	50.0	50.0
sTech d.o.o.	Fully consolidated	Serbia, Belgrade	100.0	100.0
UNIQA GlobalCare SA	Fully consolidated	Switzerland, Geneva	100.0	100.0
UNIQA Group Service Center Slovakia, spol. s r.o.	Fully consolidated	Slovakia, Nitra	100.0	100.0
UNIQA Ingatlanhasznosító Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
UNIQA InsService spol. s r.o. (Merger: 1/1/2021)	Fully consolidated	Slovakia, Bratislava	0.0	100.0
UNIQA investiční společnost, a.s. (formerly: AXA investiční společnost a.s.)	Fully consolidated	Czech Republic, Prague	100.0	100.0
UNIQA Management Services, s.r.o. (formerly: AXA Management Services s.r.o.)	Fully consolidated	Czech Republic, Prague	100.0	100.0
UNIQA Polska S.A. (formerly: AXA Polska S.A.)	Fully consolidated	Poland, Warsaw	100.0	100.0
UNIQA Raiffeisen Software Service Kft.	Fully consolidated	Hungary, Budapest	60.0	60.0
UNIQA Software Service S.R.L.	Fully consolidated	Romania, Cluj-Napoca	100.0	100.0
UNIQA Számítástechnikai Szolgáltató Kft. (Deconsolidation: 30/6/2021)	Fully consolidated	Hungary, Budapest	0.0	100.0
Vitosha Auto OOD	Fully consolidated	Bulgaria, Sofia	99.9	99.9
Financial and strategic domestic shareholdings				
Diakonissen & Wehrle Privatklinik GmbH (Merger: 1/1/2021)	Fully consolidated	Gallneukirchen	0.0	92.6
Goldenes Kreuz Privatklinik BetriebsGmbH	Fully consolidated	Vienna	100.0	100.0
PremiaFIT Facility und IT Management und Service GmbH (Initial consolidation: 31/12/2021)	Fully consolidated	Vienna	100.0	100.0
PremiQaMed Ambulatorien GmbH	Fully consolidated	Vienna	100.0	100.0
PremiQaMed Beteiligungs GmbH	Fully consolidated	Vienna	100.0	100.0
PremiQaMed Holding GmbH	Fully consolidated	Vienna	100.0	100.0
PremiQaMed Privatkliniken GmbH	Fully consolidated	Vienna	100.0	100.0
STRABAG SE	Equity method	Villach	15.3	14.3
UNIQA Beteiligungs-Holding GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.	Fully consolidated	Vienna	100.0	100.0
UNIQA Leasing GmbH	Equity method	Vienna	25.0	25.0
UNIQA Ventures GmbH	Fully consolidated	Vienna	100.0	100.0
Real estate companies				
"Hotel am Bahnhof" Errichtungs GmbH & Co KG	Fully consolidated	Vienna	100.0	100.0
Asena LLC	Fully consolidated	Ukraine, Kiev	100.0	100.0
AVE-PLAZA LLC	Fully consolidated	Ukraine, Kharkiv	100.0	100.0
Black Sea Investment Capital LLC	Fully consolidated	Ukraine, Kiev	100.0	100.0
City One Park Sp. z o.o. (Formerly: Dabrine Investments Sp. z o.o.)	Fully consolidated	Poland, Warsaw	100.0	100.0
Design Tower GmbH	Fully consolidated	Vienna	100.0	100.0
DIANA-BAD Errichtungs- und Betriebs GmbH	Equity method	Vienna	33.0	33.0
EZL Entwicklung Zone Lassallestraße GmbH & Co. KG	Fully consolidated	Vienna	100.0	100.0
Floreasca Tower SRL	Fully consolidated	Romania, Bucharest	100.0	100.0
Hotel Burgenland Betriebs GmbH (Merger: 1/1/2021)	Fully consolidated	Vienna	0.0	100.0
IPM International Property Management Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
Knesebeckstraße 8-9 Grundstücksgesellschaft mbH	Fully consolidated	Germany, Berlin	100.0	100.0
Light Investment Cotroceni SRL (Initial consolidation: 30/6/2021)	Fully consolidated	Romania, Bucharest	100.0	0.0
Praterstraße Eins Hotelbetriebs GmbH	Fully consolidated	Vienna	100.0	100.0
PremiQaMed Immobilien GmbH	Fully consolidated	Vienna	100.0	100.0

Company	Type of consolidation	Location	Equity interest at 31/12/2021 in per cent	Equity interest at 31/12/2020 In per cent
Pretium Ingatlan Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
Renaissance Plaza d.o.o.	Fully consolidated	Serbia, Belgrade	100.0	100.0
Reytarske LLC (Deconsolidation: 9/11/2021)	Fully consolidated	Ukraine, Kiev	0.0	100.0
R-FMZ Immobilienholding GmbH	Fully consolidated	Vienna	100.0	100.0
Software Park Kraków Sp. z o.o.	Fully consolidated	Poland, Warsaw	100.0	100.0
Treimorfa Hotel Sp. z o.o.	Fully consolidated	Poland, Krakow	85.0	85.0
Treimorfa Project Sp. z o.o.	Fully consolidated	Poland, Krakow	85.0	85.0
UNIQA Immobilien-Projekterrichtungs GmbH (Merger: 22/12/2021)	Fully consolidated	Vienna	0.0	100.0
UNIQA Linzer Straße 104 GmbH & Co KG	Fully consolidated	Vienna	100.0	100.0
UNIQA Plaza Irodaház és Ingatlankezelő Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
UNIQA poslovni centar korzo d.o.o.	Fully consolidated	Croatia, Rijeka	100.0	100.0
UNIQA Real Estate Bulgaria EOOD (Merger: 1/1/2021)	Fully consolidated	Bulgaria, Sofia	0.0	100.0
UNIQA Real Estate BV (Deconsolidation: 28/12/2021)	Fully consolidated	Netherlands, Hoofddorp	0.0	100.0
UNIQA Real Estate CZ, s.r.o.	Fully consolidated	Czech Republic, Prague	100.0	100.0
UNIQA Real Estate GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Real Estate Inlandsholding GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Real Estate Polska Sp. z o.o.	Fully consolidated	Poland, Warsaw	100.0	100.0
UNIQA Real Estate Property Holding GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Real III, spol. s r.o.	Fully consolidated	Slovakia, Bratislava	100.0	100.0
UNIQA Real s.r.o.	Fully consolidated	Slovakia, Bratislava	100.0	100.0
UNIQA Retail Property GmbH	Fully consolidated	Vienna	100.0	100.0
UNIQA Szolgáltató Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
UNIQA-Invest Kft.	Fully consolidated	Hungary, Budapest	100.0	100.0
Zablocie Park Sp. z o.o.	Fully consolidated	Poland, Warsaw	100.0	100.0
Pension and investment funds				
SSG Valluga Fund	Fully consolidated	Ireland, Dublin	100.0	100.0
UNIQA Capital Partners S.A. SICAV-RAIF – Infrastructure Equity Select (initial consolidation: 30/6/2021)	Fully consolidated	Luxembourg, Munsbach	100.0	0.0
UNIQA Capital Partners S.A. SICAV-RAIF – Private Equity Select (initial consolidation: 30/6/2021)	Fully consolidated	Luxembourg, Munsbach	100.0	0.0
UNIQA Corporate Bond	Fully consolidated	Vienna	100.0	100.0
UNIQA d.d.s., a.s. (formerly: AXA d.d.s., a.s.)	Fully consolidated	Slovakia, Bratislava	100.0	100.0
UNIQA d.s.s., a.s. (formerly: AXA d.s.s., a.s.)	Fully consolidated	Slovakia, Bratislava	100.0	100.0
UNIQA Eastern European Debt Fund	Fully consolidated	Vienna	100.0	100.0
UNIQA Emerging Markets Debt Fund	Fully consolidated	Vienna	100.0	100.0
UNIQA Euro Government Bond Fund	Fully consolidated	Vienna	100.0	100.0
UNIQA penzijní společnost, a.s. (formerly: AXA penzijní společnost a.s.)	Fully consolidated	Czech Republic, Brno	100.0	100.0
UNIQA Powszechne Towarzystwo Emerytalne S.A. (formerly: AXA Powszechne Towarzystwo Emerytalne S.A.)	Fully consolidated	Poland, Warsaw	100.0	100.0
UNIQA Towarzystwo Funduszy Inwestycyjnych S.A. (formerly: AXA Towarzystwo Funduszy Inwestycyjnych S.A.)	Fully consolidated	Poland, Warsaw	100.0	100.0
UNIQA World Selection	Fully consolidated	Vienna	100.0	100.0

38. Changes in major accounting policies as well as new and amended standards

With the exception of the following changes, the outlined accounting policies were consistently applied to all periods presented in these consolidated financial statements.

Amendments and standards to be applied for the first time

The Group adopted the following adjustments to standards with the initial application date of 1 January 2021. None of the new regulations arising from this have any essential impact on UNIQA's assets, liabilities, financial position and profit or loss.

Standard	Content	First-time application by UNIQA	Impact on UNIQA
IFRS 4, IFRS 9	Amendments to IFRS 4 Insurance Contracts: Extension of the Temporary Exemption from Applying IFRS 9	1 January 2021	Yes
IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16	Amendments to IFRS 9, IAS 39 and other IFRSs with regard to the effects of the IBOR reform (Phase 2)	1 January 2021	No

New and amended standards to be applied in the future

The IASB has also published a range of new standards that will be applicable in the future. UNIQA does not intend to adopt these standards early.

Standard	Content	First-time application by UNIQA	Endorsement by the EU at 31 December 2021	Likely to be relevant for UNIQA
New standards				
IFRS 9	Financial Instruments	1 January 2023	Yes	Yes
IFRS 9	Amendments to IFRS 9 – Prepayment Features with Negative Compensation	1 January 2023	Yes	Yes
IFRS 17	Insurance Contracts	1 January 2023	Yes	Yes
Amended standards				
IAS 1	Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1 January 2022	No	Yes
IFRS 3, IAS 16, IAS 37	Amendments to IFRS 3 for the purpose of updating a reference to the Conceptual Framework Amendments to IAS 16 relating to revenue before intended use Amendments to IAS 37 relating to onerous contracts	1 January 2022	Yes	Yes

The following standards to be applied in future are expected to have a significant impact on reporting at UNIQA:

IFRS 9 – Financial Instruments

Since UNIQA's business is predominantly insurance-related and UNIQA has not yet adopted IFRS 9 in any other version, a deferral to adopt IFRS 9 for the first time is permitted until 1 January 2023. The use of UNIQA's deferral approach requires the publication of additional information in the notes for the period up to the first-time application of IFRS 9.

Classification and measurement

The classification and measurement of financial assets under IFRS 9 results from the business model and the SPPI criterion (Solely Payments of Principal and Interest).

Based on current indications, a large part of UNIQA's other investments is classified under the hold-and-sell business model. Investments without the intention to sell, such as time deposits and loans, are classified under the "hold" business model.

This means that UNIQA will in future measure fixed-interest securities that meet the SPPI criterion at fair value through other comprehensive income. Non-fixed-interest securities, in particular fund certificates, will in future be measured at fair value through profit or loss.

However, UNIQA plans to use the FVOCI option for selected equity instruments and consequently to measure these instruments at fair value through other comprehensive income.

All investments of unit-linked and index-linked life insurance investments will continue to be classified and measured at fair value through profit or loss, unchanged from the current accounting under IAS 39.

Other investments that fulfil the SPPI test[1)]

based on carrying amounts in per cent

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts
Available-for-sale financial assets	0.0	86.3	-	-	-
Loans and receivables	-	0.3	99.8	-	-
Total	**0.0**	**86.6**	**99.8**	**0.0**	**0.0**

1) The classification occurs in accordance with IAS 39. Investments classified as financial assets at fair value through profit or loss do not meet the requirements of the SPPI test.

Asset allocation of other investments that fulfil the criteria of the SPPI test

In € thousand

	At amortised cost or at fair value through other comprehensive income			At fair value through profit or loss		
	Carrying amount	Fair value	Change in fair value over the period	Carrying amount	Fair value	Change in fair value over the period
Government bonds	10,585,782	10,468,551	–157,724	6,843	6,812	119
Corporate bonds	3,171,914	3,145,809	–5,074	323,864	321,617	190,526
Covered bonds	1,837,218	1,819,700	–300,541	0	0	0
Loans	139,181	144,223	60,879	7,555	10,557	9,857
Other	283	282	282	2,092,646	2,092,452	546,678
Total	**15,734,378**	**15,578,564**	**–402,177**	**2,430,908**	**2,431,438**	**747,179**

Impairment

In future, the calculation of expected credit losses according to the three-level model is to be carried out exclusively for financial assets measured at amortised cost or at fair value through other comprehensive income. Instruments with a low default risk (investment grade) are regularly allocated by UNIQA to Level 1 of the impairment model.

Financial instruments by rating
In € thousand

	Government bonds	Corporate bonds	Covered bonds	Loans	Other	Total
AAA	1,898,454	9,700	1,163,190	46,079	0	3,117,422
AA	3,348,120	231,925	532,870	0	0	4,112,915
A	3,008,584	1,588,179	103,476	10,111	0	4,710,350
BBB	1,731,347	941,402	8,274	9,757	0	2,690,779
BB	256,193	100,097	0	0	0	356,290
B	294,271	9,053	0	0	0	303,324
≤ CCC	11,773	0	0	0	0	11,773
Not rated	37,041	291,558	29,408	73,234	283	431,525
Total	**10,585,782**	**3,171,914**	**1,837,218**	**139,181**	**283**	**15,734,378**

The fair value of the instruments which do not feature a low default risk (non-investment grade) amounts to €671 million.

UNIQA expects effects from the conversion to IFRS 9 both as a result of the new classification and measurement rules and due to the new impairment model. In this regard, possible initial application and subsequent measurement effects are to be expected in the category "Variable-income securities" in particular, as these financial assets will have to be measured at fair value through profit or loss in future. In a holistic view, interactions with IFRS 17 must also be taken into account in this context. In the 2022 financial year, a parallel phase for IFRS 9 will also take place in connection with IFRS 17 in order to be able to ensure the comparative figures required when adjusting the previous year's figures.

IFRS 17 – Contracts

On 25 June 2020, the IASB (International Accounting Standards Board) published the final accounting standard for insurance contracts – IFRS 17. The date of initial application of IFRS 17 was set for 1 January 2023. For insurance companies, the date of initial application of IFRS 9 is linked to that of IFRS 17. IFRS 17 became EU law through the adoption of Regulation (EU) No. 2021/2036 of 19 November 2021 by the EU Commission. IFRS 17 establishes principles relating to recognition, measurement, presentation and disclosures of insurance contracts.

The general measurement model will be adopted for the long-term property and casualty insurance business as well as for life insurance contracts without profit participation. For short-term contracts – this is predominantly the case in the area of property and casualty insurance – UNIQA will adopt the premium allocation approach. The variable fee approach will be adopted for contracts in health insurance that involve profit participation and for contracts of unit-linked and index-linked life insurance. This classification is in line with the assumptions made so far for the initial application of IFRS 17.

For both the general measurement model and the variable fee approach, UNIQA assumes at the time of publication of the Group report that the so-called OCI option will be applied where the respective allocated financial instruments on the asset side are also measured through other comprehensive income.

The grouping for the valuation hierarchy and accounting of contracts according to IFRS 17 is as follows:

- Portfolios: insurance contracts that are exposed to a similar risk and are managed together are combined into a portfolio.
- Contract groups: portfolios are divided into contract groups.
- Annual cohorts: contract groups are subdivided according to underwriting years ("annual cohorts"). For contracts in health and life insurance that involve profit participation, UNIQA will adopt the option to exempt the mandatory subdivision by underwriting year.

In 2021, various IFRS 17 technical concepts were shared with the subsidiaries for local implementation and expanded to include their features and specific circumstances.

The integration and preparation of the data required for the measurement of and accounting for contracts represents a key challenge in implementing IFRS 17. It was possible to largely complete this work in the 2021 financial year. Comprehensive tests were carried out both with regard to the actuarial subledger and the new and adapted interfaces for supplying the systems with the data. In the 2022 financial year, UNIQA will continue to work on the quality of the systems and data in order to ensure compliance with the requirements of IFRS 17.

In the past financial year, the effects and interaction of IFRS 9 and IFRS 17 on the financial position and income statement of selected UNIQA companies were analysed. This analysis was based on several simplifications and assumptions. For example, in health and life insurance business lines, the future expected cash flows were based on the results of the market-consistent embedded value (MCEV). Furthermore, an approximate cost allocation according to IFRS 17 was applied in the analysis. A simplified approach was also used to derive the risk adjustment.

Despite simplifications and estimates, important lessons have been learned:

- The comparability of IFRS 4 and IFRS 17 is limited due to the fundamental differences between the two accounting standards.
- Despite certain similarities with the solvency regulations under Solvency II, the interpretation of profits according to IFRS 17 is challenging due to the significantly increased complexity. In addition, the parameters for measuring the success of the company will change and new indicators such as the contractual service margin or loss component will be established.
- For the measurement and accounting of contracts according to IFRS 17, much larger volumes of data need to be processed and validated compared to IFRS 4.

In the course of the impact analysis, all three measurement models (general measurement model, variable fee approach and premium allocation approach) were applied specifically to the portfolio of selected UNIQA companies. Due to the continued limited scope of this impact analysis, no precise conclusions can be drawn yet regarding the impact of IFRS 17 on the Group as a whole.

39. Foreign currency translation

Functional currency and reporting currency

The items included in the financial statements for each operating subsidiary are measured based on the currency that corresponds with the currency of the primary economic environment in which the subsidiary operates (functional currency). The consolidated financial statements are prepared in euros which is UNIQA’s reporting currency.

Transactions in foreign currencies

Transactions in foreign currencies are translated into the functional currency of the Group entity at the exchange rate on the date of the transaction or, in the case of remeasurement, at the time of measurement.

Monetary assets and liabilities denominated in a foreign currency on the reporting date are translated into the functional currency at the closing rate. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated at the rate valid on the date the fair value is calculated. Currency translation differences are generally recognised in profit/(loss) for the period. Non-monetary items recognised in a foreign currency at historical cost are stated with the historical exchange rate. This results in no currency translation difference.

Currency translation differences from equity instruments available for sale are recognised in other comprehensive income by way of derogation from the general principle. An exception to this are impairments for which currency translation differences are reclassified from other comprehensive income to profit/(loss) for the period.

Foreign operations

Assets and liabilities from foreign operations, including the goodwill and fair value adjustments that result from the acquisition, are translated into euros at the closing rate on the reporting date. Currency translation differences are reported in other comprehensive income and recognised in equity as a part of the accumulated profits in the item “Differences from currency translation” if the foreign exchange difference is not attributable to non-controlling interests.

Income and expenses from foreign operations are translated at the monthly closing rates.

Currency translation differences from the proportion of the carrying amount in the Consolidated Income Statement and attributable to the amortised cost are recognised in the item "Available-for-sale financial assets".

Major exchange rates

	EUR closing rates		EUR average rates	
	31/12/2021	31/12/2020	1–12/2021	1–12/2020
Swiss franc (CHF)	1.0331	1.0802	1.0800	1.0720
Czech koruna (CZK)	24.8580	26.2420	25.6942	26.4138
Hungarian forint (HUF)	369.1900	363.8900	359.2377	352.2423
Polish złoty (PLN)	4.5969	4.5597	4.5736	4.4518
Romanian leu (RON)	4.9490	4.8683	4.9206	4.8379
Ukrainian hryvnia (UAH)	30.8866	34.6022	32.3684	30.9282
Russian rouble (RUB)	85.3004	91.4671	87.6021	83.1271
Albanian lek (ALL)	120.7600	123.2600	122.5062	124.0777
US dollar (USD)	1.1326	1.2271	1.1844	1.1452
Japanese yen (JPY)	130.3800	126.4900	130.0262	121.8885

Effects of Covid-19

Technical result
In health insurance, there were reduced benefits in the financial year due to delays in the health system. No significant catch-up effects are expected for subsequent years.

In the area of life insurance there were visible effects of Covid-19 in the UNIQA International segment with regard to the increased mortality rate and thus insurance benefits.

Net investment income
The (city) hotel properties form a part (6 per cent) of the UNIQA real estate portfolio. As city trips continue to lag massively behind the level recorded in the 2019 financial year due to Covid-19, this resulted in reduced rental income of around €7 million in this area. Furthermore, impairments amounting to €7 million were made in this area.

A reduction in rental income of around €3 million also had to be accepted for retail space compared to the pre-Covid-19 level.

Significant events after the reporting date

The conflict between Ukraine and Russia, which has been going on for several years, escalated at the end of February 2022. UNIQA is represented in Ukraine by two insurance companies and three real estate companies. In Russia, UNIQA holds 75 per cent of a life insurance company (the remaining 25 per cent is held by JSC Raiffeisenbank). Due to the inability as yet to assess this constantly changing situation, it is not possible to make a conclusive assessment of the future effects on UNIQA at the time of preparing the consolidated financial statements. This is a value-impacting event occurring in 2022 after the reporting date so there will be no impact on these consolidated financial statements as at 31 December 2021.

In 2021, the premiums written in Ukraine amounted to around €110 million and in Russia to around €75 million – amounting to approximately 3 per cent of UNIQA's total premiums written. The assets attributable to the insurance companies in Ukraine amount to around €140 million as at 31 December 2021, around €90 million of which are investments. The real estate companies in Ukraine had assets of around €20 million at the end of 2021. In Russia, the assets attributable to the share held by UNIQA amount to around €250 million, with around €230 million of this attributable to investments.

Should there be a loss of control over the companies from a consolidation perspective without any consideration being received, there would be a negative effect on the consolidated income statement of the companies in Ukraine of around €95 million as at the end of 2021. The effect on the UNIQA share of the company in Russia would amount to around €43 million as at the end of 2021.

In addition, other Group companies hold investments issued by Ukrainian and Russian issuers. The carrying amount of these investments was around €200 million as at 31 December 2021.

Further developments in the situation are being monitored and appropriate measures will be implemented as necessary to keep the impact on UNIQA to a minimum.

Risk report

40. Risk strategy

Principles

UNIQA's strategic objectives are directly linked to the company's risk strategy. The cornerstones of the risk strategy are based on the business strategy and the risks it entails. A clear definition of the risk preference creates the foundation for all business policy decisions.

Organisation

UNIQA's core business is to relieve customers of risk, pool the risk to reduce it and thereby generate profit for the company. The focus is on understanding risks and their particular features. To ensure a strong focus on risk, UNIQA has created a separate risk function on the Group's Management Board with a Group Chief Risk Officer (CRO) who is also acting concurrently as Group Chief Financial Officer (CFO). In the Group companies, the Chief Risk Officer is also a part of the Management Board. This ensures that decision-making is risk-based in all relevant bodies. UNIQA has established processes that make it possible to identify, analyse and manage risks.

The risk profile is regularly validated at all levels of the hierarchy and discussions are held in specially instituted committees with the members of the Management Board. Internal and external sources are consulted to obtain a complete picture of the risk situation. UNIQA regularly checks for new threats both in the Group and in the subsidiaries.

Risk-bearing capacity and risk appetite

UNIQA assumes risk in full awareness of its risk-bearing capacity. This is defined as the capacity to absorb potential losses from extreme events so that medium- and long-term objectives are not put in danger.

The Solvency Capital Requirement (SCR) is at the centre of risk-related decisions. The SCR corresponds with a company-specific risk assessment based on a partial internal model for market risks and non-life risks, as well as on the standard model according to Solvency II for the other categories of risk. As such, it corresponds with the regulatory risk calculations under the Solvency II framework. Based on this approach, we aim to achieve a solvency capital ratio above 170 per cent. Immediate steps will be taken to improve the capital position if the marginal value falls below 135 per cent. Details for the reporting date as at 31 December 2021, including a detailed analysis of changes, can be found in the "UNIQA Capital Report" presentation.

Non-quantifiable risks, in particular operational risk, litigation risk and strategic risk are identified and assessed as part of the risk assessment process. This assessment is then used as the basis for implementing any necessary risk mitigation measures.

UNIQA's risk strategy specifies the risks the company intends to assume and those it plans to avoid. Within the scope of the strategy process, risk appetite is defined based on UNIQA's risk-bearing capacity. This risk appetite is then used to determine tolerances and limits, which provide a sufficient early warning system for the company to initiate prompt corrective action in the event of any deviation from targets. UNIQA counters risks that fall outside the defined risk appetite, such as reputational risk, with proactive measures, transparency and careful assessment.

Opportunities

Risk also means opportunity. UNIQA regularly analyses trends and risks that influence society and thus the customers and company UNIQA itself. Employees throughout the company are involved in order to recognise and analyse trends at an early stage, produce suitable action plans and develop innovative approaches.

41. Risk management system

The focus of risk management with management structures and defined processes is the attainment of UNIQA's and its Group companies' strategic goals.

UNIQA's Risk Management Guidelines form the basis for a uniform standard at various company levels. The guidelines are approved by the CFO/CRO and the Group Executive Board and describe the minimum requirements in terms of organisational structure and process structure.

In addition to the Group Risk Management Guidelines, similar guidelines have also been prepared and approved for the Group companies. The Risk Management Guidelines at company level were approved by the Management Board of the UNIQA Group companies and are consistent with UNIQA's Risk Management Guidelines.

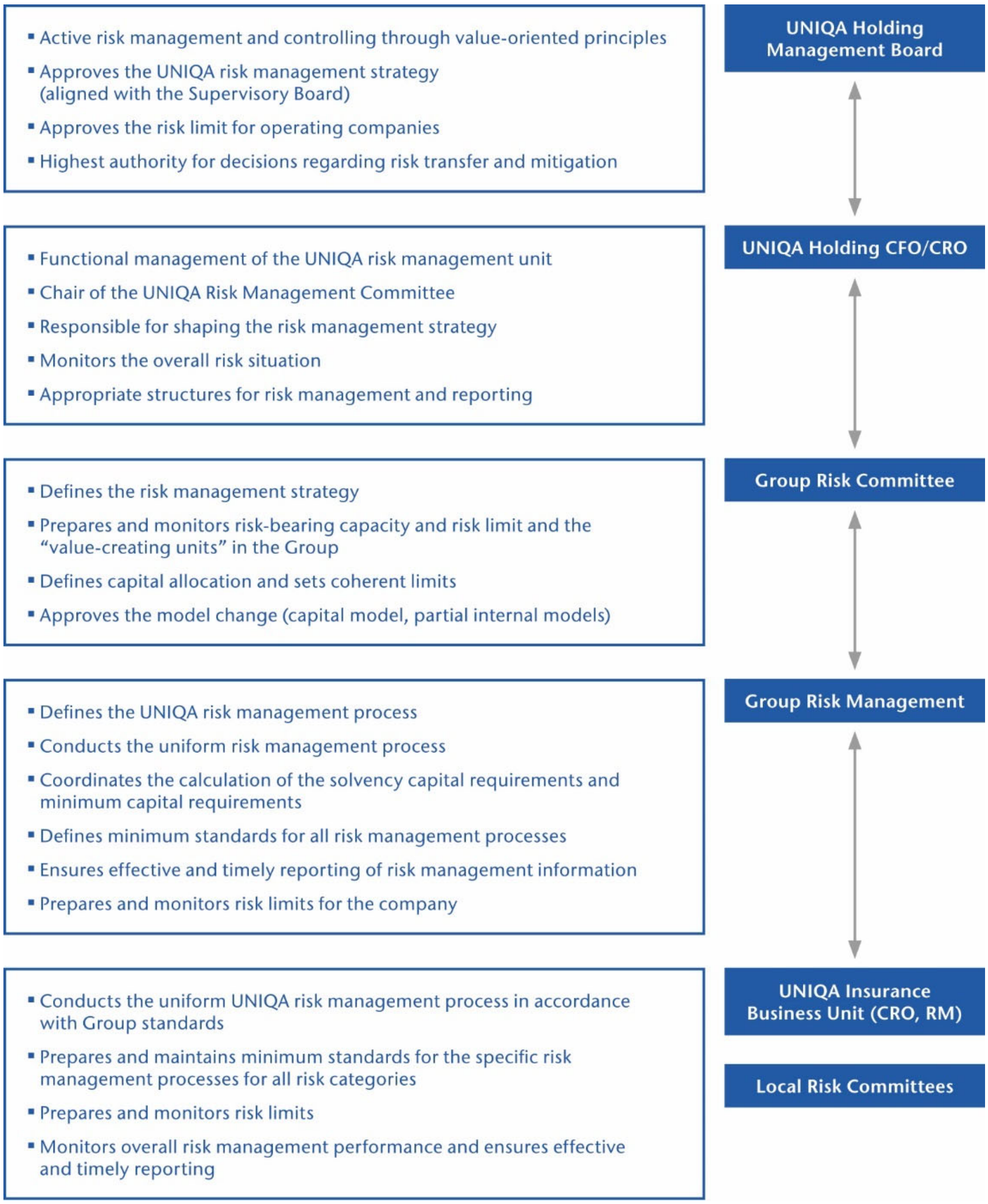
Organisational structure (governance)

The detailed setup of the process and organisational structure of risk management is set out in UNIQA's Risk Management Guidelines. They reflect the principles embodied in the concept of "three lines" and the clear differences between the individual "lines".

First line: risk management within the business activity
Those responsible for business activities must develop and put into practice an appropriate risk control environment to identify and monitor the risks that arise in connection with the business and processes.

Second line: supervisory functions including risk management functions
The risk management function and the supervisory functions, such as controlling, must monitor business activities without encroaching on operational activities.

Third line: internal audit
This enables an independent review of the formation and effectiveness of the entire internal control system, which comprises risk management and compliance (e.g. internal auditing).



The relevant responsibilities are shown accordingly in the overview above. In addition, the Supervisory Board at UNIQA Insurance Group AG receives comprehensive risk reports at Supervisory Board meetings.

Risk management process

UNIQA's risk management process delivers periodic information about the risk profile and enables the top management to make the decisions for the long-term achievement of objectives.

The process concentrates on risks relevant to the company and is defined for the following classes of risk:

- Market risk/Asset Liability Management risk (ALM risk)
- Credit risk/default risk
- Liquidity risk
- Concentration risk
- Underwriting risk (property and casualty insurance, health and life insurance)
- Operational risk
- Emerging risk
- Reputational risk
- Contagion risk
- Strategic risk

A Group-wide, standardised risk management process regularly identifies, evaluates and reports on risks to UNIQA and its Group companies within these categories of risk.

Sustainability risks or ESG risks include risks related to the sustainability factors of environment, social/employee and governance ("ESG"). They are not considered as a separate risk category, but are taken into account as part of the existing ten risk categories.

Risk identification is the starting point for the risk management process, systematically recording all major risks and describing them in as much detail as possible. In order to conduct as complete a risk identification as possible, different approaches are used in parallel, and all categories of risk, subsidiaries, processes and systems are included.

The risk categories of market risk, underwriting risks and default risk are evaluated at UNIQA by means of quantitative methods either based on the Solvency II standard approach or the partial internal model (for non-life or market risks). Furthermore, risk drivers are identified for the results from the standard approach, and analysed to assess whether the risk situation is adequately represented (in accordance with the Company's Own Risk and Solvency Assessment (ORSA)). All other categories of risk are evaluated quantitatively or qualitatively with their own risk scenarios.

42. Activities and objectives in 2021

Based on external and internal developments, activities in 2021 focused on the following:

- Covid-19 and capital market environment
- Sustainability
- AXA integration
- Further development of the internal model
- GRC tool rollout

Covid-19 and capital market environment

UNIQA already began to strictly monitor its own solvency position at the beginning of the Covid-19 crisis. In contrast to 2020, the economic environment was more stable in the following year. In 2021, the target capital position of the entity and its associated companies was maintained, showing that they were well prepared for unexpected shocks such as the Covid-19 crisis. UNIQA will continue to monitor the situation closely in order to be able to respond quickly to potential changes (triggered by another wave of Covid-19). The pandemic has affected UNIQA's business development in some areas. It had both negative (business interruptions, event cancellations) and positive (lower claims frequency in motor and accident business, high demand for health insurance) effects. The development of the capital market environment, as well as the changes in fair values, were closely monitored. The company also carried out monthly solvency assessments. The year 2021 brought a positive interest rate development, which led to the strengthening of UNIQA's capital situation.

Sustainability

Sustainability (or Environmental Social Governance (ESG)) is one of the topics that has become increasingly important in recent years, both in the applicable regulations as well as in terms of public perception. First steps for the integration of sustainability into the risk management framework have already been taken and further improvements are planned for next year. In 2021, the definition of sustainability risks was anchored in the Group Risk Management Policy. Furthermore, the investment portfolio was examined on the basis of ESG criteria. The risk catalogue of the internal control system was also expanded to include risks from climate change. In principle, this year's risk assessment process attempted to gather initial experience with the challenging task of measuring long-term climate scenarios. The objective of this measurement is to obtain as good a quantitative statement as possible. However, since this is not (yet) always possible in all aspects or is associated with great uncertainty, qualitative simplifications were also used last year.

AXA integration

At the end of 2020, UNIQA took full control of the AXA subsidiaries in Poland, the Czech Republic and Slovakia. For one and a half years, local project teams in Poland, the Czech Republic and Slovakia have been working on the integration under the leadership of central integration management in Vienna. In 2021, important milestones were reached from a risk management perspective. The acquired companies were successfully included in UNIQA's risk management processes. Among other things, the integration into the risk capital calculation process was successfully carried out.

Further development of the internal model

Building on the expertise gained through the development of the partial internal model, it was decided to take further steps to expand the risk model into a full internal model. In the medium term, this internal model is to be approved by the regulator and used to determine the capital requirement ratio. The objective is to use the internal model to depict UNIQA's specific risk situation more adequately than via the standard model and to take it into account in risk management accordingly. Another advantage of an internal model is that it is less vulnerable to future regulatory adjustments to the Solvency II standard model. If approved, this would make UNIQA the first Austrian insurance group to have a full internal model. The multi-year project started in 2021 with an initial development phase.

GRC tool rollout

UNIQA has been working intensively on expanding the concept of its internal control system (ICS) in recent years. A Governance, Risk & Compliance (GRC) tool was introduced in order to support implementation of the ICS through the systems. The GRC tool is used as a central element in managing operational risk. Rolling it out across the entire Group was one of the focal points and challenges in 2021. The focus was on training the staff in the new system on the one hand, and on migrating the data on the other. The full rollout within the Group should be completed by the end of 2022.

43. Challenges and priorities in risk management for 2022

Environmental Social Governance (ESG)

The topic of sustainability was already of very high importance for UNIQA last year. The focus for risk management is particularly on managing and handling sustainability risks. In 2022, we will therefore work hard to measure the long-term climate scenarios and try to drive further progress and improvements here. The climate scenarios are also to become a constant component of the company's own risk and solvency assessment process (ORSA). After the expansion of the risk catalogue to include ESG risks, the process of identifying these risks will take place with the respective departments. To meet future regulatory requirements, work will also be done next year to integrate sustainability risks into the reporting framework. The risk management process in terms of sustainability with regard to UNIQA's investment portfolio will also be improved in the coming year. The results of the ESG risk assessment are intended on the one hand to fulfil regulatory requirements and on the other hand to support management decisions about designing new products or about the company's investment strategy.

Exposure to ESG risks is a new performance characteristic and also a growth driver in the current environment. These have therefore become more significant for both investors and customers. Good ESG performance is defined, among other things, by a lower future cost of capital, as the company is more resilient to long-term risks. As a composite insurer, UNIQA has long-term obligations, which is why a long-term perspective must be considered. The results of the own-risk assessment show that climate risks can have an impact on both investments and technical provisions. UNIQA has a system for evaluating the materiality of individual risks on the relevant balance sheet items with the aim of integrating the sustainability impacts into this existing materiality concept. UNIQA will therefore have a strong focus on the further development and management of climate risks in future, with the clear idea of identifying the need for adjustments in corporate planning and strategy in good time.

Full internal model

The further development of the partial internal model to a full internal model is one of the most important projects from a risk management perspective. In this way, UNIQA aims to more adequately reflect its own risk profile. This project will last several years. In 2021, the main focus was on developing the model. In 2022, the first model runs of the individual risk modules will take place. Work is also underway on the first validations and the lessons learned. During the year, several feedback loops between employees and advisers are planned from the project perspective. Another important goal is to produce a draft of the documentation necessary for approval of the model. In 2022 there will also be on-site audits by the Financial Market Authority. The objective is to obtain official approval of the full internal model by the end of 2023.

Security & Resilience Management

Companies are increasingly exposed to a range of security risks, from data theft to ransomware and distributed denial of service (DDoS) attacks. UNIQA has planned a strong focus on these topics for 2022 and will implement corresponding measures. UNIQA's assets that are relevant to its business operations will be identified and classified according to their need for protection. An example would be IT applications and their required IT infrastructure, data centres and key personnel needed to keep them running. One focus in 2022 will be to address the identified vulnerabilities as part of a Group-wide, centrally coordinated IT security programme. The security programme will cover the internally developed framework of security requirements and the security controls already implemented along with any shortfalls.

44. Risk profile

UNIQA's risk profile is very heavily influenced by the life and health insurance portfolios of UNIQA Österreich Versicherungen AG. This situation means that market risk plays a central role in UNIQA's risk profile.

The Group companies in Central Europe operate in the property and casualty business lines as well as in the life and health insurance business lines. In the CEE region, the property and casualty sectors are the most dominant.

This structure is important to UNIQA, because it offers a high level of diversification from the life and health insurance lines that dominate in the Austrian companies.

The distinctive risk features of the regions are also reflected in the risk profiles determined by using the internal measurement approach.

Market and credit risk

The strength of the market and credit risks depends on the structure of the capital investment and its allocation to the different asset categories. The table below shows investments classified by asset category.

Asset allocation
In € thousand

	31/12/2021	31/12/2020
Fixed-income securities	16,021,778	17,577,469
Real estate assets	1,241,860	1,219,213
Pension fund	2,059,540	1,373,557
Equity investments and other stocks	815,421	822,476
Shares and equity funds	1,224,155	840,135
Time deposits	272,172	279,315
Other investments	150,051	207,077
Total	**21,784,976**	**22,319,241**

However, the market and credit risks not only have an impact on the value of investments, but also influence the level of technical liabilities. Thus, there is – particularly in life insurance – a dependence between the (price) growth of assets and liabilities from insurance contracts. UNIQA manages the income expectations and risks of assets and liabilities arising from insurance contracts as part of the asset liability management (ALM) process. The objective is to ensure sufficient liquidity while retaining the greatest possible security and balanced risk in order to achieve a return on capital that is sustainably higher than the guaranteed performance of the technical liabilities. To do this, assets and liabilities are allocated to different accounting groups.

The following two tables show the main accounting groups generated by the various product categories.

Assets
In € thousand

	31/12/2021	31/12/2020
Long-term life insurance contracts with guaranteed interest and profit participation	12,414,127	12,565,453
Long-term unit-linked and index-linked life insurance contracts	5,154,053	4,238,569
Long-term health insurance contracts	4,444,807	4,434,179
Short-term property and casualty insurance contracts	5,814,056	5,577,045
Total	**27,827,042**	**26,815,246**

These values refer to the following items:

- Land and buildings for own use
- Investment property
- Financial assets accounted for using the equity method
- Other investments
- Unit-linked and index-linked life insurance investments
- Cash

Technical provisions and liabilities (net)

In € thousand

	31/12/2021	31/12/2020
Long-term life insurance contracts with guaranteed interest and profit participation	10,979,313	11,243,000
Long-term unit-linked and index-linked life insurance contracts	5,028,507	4,208,512
Long-term health insurance contracts	3,813,196	3,519,993
Short-term property and casualty insurance contracts	3,891,198	3,147,659
Total	**23,712,214**	**22,119,164**

These values refer to the following items:

- Technical provisions
- Technical provisions for unit-linked and index-linked life insurance
- Reinsurance liabilities (only securities account liabilities from reinsurance ceded)
- Reinsurers' share of technical provisions
- Reinsurers' share of technical provisions for unit-linked and index-linked life insurance

The market and credit risk is broken down into interest rate, credit spread, equity, currency and market concentration risk.

The **interest rate risk** arises on all asset and liability items of the statement of financial position whose value fluctuates as a result of changes in risk-free yield curves or associated volatility. Given the high proportion of interest-bearing securities in the assets, interest rate risk forms an important part of market risk. The interest rate risk is actively managed as part of the ALM-based investment strategy.

The following table shows the maturity structure of fixed-income securities.

Exposure by term

In € thousand

	31/12/2021	31/12/2020
Up to 1 year	908,460	975,698
More than 1 year up to 3 years	1,481,601	1,668,822
More than 3 years up to 5 years	2,369,538	2,307,840
More than 5 years up to 7 years	2,521,545	2,579,998
More than 7 years up to 10 years	2,259,623	2,863,478
More than 10 years up to 15 years	2,640,465	2,635,322
More than 15 years	3,840,546	4,546,309
Total	**16,021,779**	**17,577,469**

In comparison with this, the next table shows the insurance provision before reinsurance in health and life insurance and the gross provision for unsettled claims in non-life insurance, broken down into annual brackets. In health and life insurance the breakdown takes place using expected cash flows from the ALM process.

IFRS reserve by expected maturity date

In € thousand

	31/12/2021	31/12/2020
Up to 1 year	1,244,623	1,015,663
More than 1 year up to 3 years	1,244,715	1,122,053
More than 3 years up to 5 years	1,194,601	1,290,754
More than 5 years up to 7 years	1,002,338	1,074,151
More than 7 years up to 10 years	1,556,280	1,453,751
More than 10 years up to 15 years	2,167,754	2,233,169
More than 15 years	8,170,662	8,002,000
Total	**16,580,974**	**16,191,540**

Since the interest rate risk is particularly relevant in life insurance as a result of the long-term liabilities, the focus below is placed on this segment. Using UNIQA Österreich Versicherungen AG as an example, the average interest rate sensitivity of life insurance in the event of a change in interest rates of +/– 50 basis points for the assets is €479.7 million and that of liabilities is €602.0 million. The difference between these two values is used as the control basis for the interest rate risk or the duration gap. During the annual ALM process, it is determined from a strategic point of view which budgets for interest rate risk can be accepted at the operating company level.

The discount rate that may be used in the costing when new business is written in most UNIQA companies takes into account a maximum discount rate imposed by the relevant local supervisory authority. In all those countries in which the maximum permissible discount rate is not imposed in this way, appropriate prudent, market-based assumptions are made by the actuaries responsible for the calculation. In our core market of Austria, the maximum permissible interest rate will be 0 per cent per annum from 1 July 2022. However, the portfolio also includes older contracts with different discount rates. In the relevant markets of the UNIQA Group, these rates amount to as much as 4 per cent per year. The following table provides an overview of the average technical discount rates by region and currency.

Average technical discount rates, core business by region and currency

In per cent

	EUR	USD	Local currency
Austria (AT)	2.1		
Central Europe (CE)	3.2		2.9
Eastern Europe (EE)	3.4	3.5	3.1
Southeastern Europe (SEE)	2.1	1.5	0.4
Russia (RU)	2.3	2.3	3.9

As these interest rates are guaranteed by the insurance company, the financial risk lies in not being able to generate these returns. Since classic life insurance business predominantly invests in interest-bearing securities, the unpredictability of long-term interest rate trends is the most significant financial risk for a life insurance company. Investment and reinvestment risk arises from the fact that premiums received in the future must be invested to achieve the rate of return guaranteed when a policy is written. However, it is entirely possible that no appropriate securities will be available at the time the premium is received. Likewise, future income must be reinvested to achieve a return equivalent to at least the original discount rate. For this reason, UNIQA has already decided to only offer products in its key markets that are based on a low or zero discount rate. One example of this in Austria is the sale of deferred pension products with a discount rate of 0 per cent.

The **credit spread risk** refers to the risk of changes in the price of asset or liability items in the financial statement, as a consequence of changes in credit risk premiums or associated volatility, and is ascertained for individual securities in accordance with their rating and duration. When investing in securities, UNIQA chooses securities with a wide variety of ratings, taking into consideration the potential risks and returns.

The following table shows the credit quality of those fixed-income securities that are neither overdue nor written down, based on their ratings.

Exposure by rating

In € thousand

	31/12/2021	31/12/2020
AAA	3,117,422	3,704,679
AA	4,112,915	4,337,744
A	4,714,695	4,957,442
BBB	2,708,020	3,051,150
BB	403,258	397,365
B	314,606	317,206
≤ CCC	11,773	1
Not rated	639,089	811,881
Total	**16,021,778**	**17,577,469**

Equity risk arises from movements in the value of equities and similar investments as a result of fluctuations in international stock markets, and therefore, stems in particular from the asset categories “Equity investments and other stocks” and “Equities”. The effective equity weighting is controlled by hedging with the selective use of derivative financial instruments.

Foreign currency risk is caused by fluctuations in exchange rates and associated volatility. Given the international nature of the insurance business, UNIQA invests in securities denominated in different currencies, thus following the principle of ensuring matching liabilities with assets in the same currency to cover liabilities at the coverage fund or company level. Despite the selective use of derivative financial instruments for hedging purposes, it is not always possible on cost grounds or from an investment point of view to achieve complete and targeted currency matching between the assets and liabilities. The following tables show a breakdown of assets and liabilities by currency.

Currency risk

31/12/2021

In € thousand	Assets	Provisions and liabilities
EUR	**24,569,387**	**22,541,840**
USD	572,248	367,172
CZK	1,450,892	1,238,123
HUF	457,405	365,382
PLN	3,035,889	2,550,947
RON	340,731	231,992
Other	1,121,230	929,041
Total	**31,547,783**	**28,224,497**

Currency risk

31/12/2020

In € thousand	Assets	Provisions and liabilities
EUR	**25,405,823**	**23,317,599**
USD	307,258	130,128
CZK	1,372,728	1,009,002
HUF	461,516	573,488
PLN	3,017,455	2,343,060
RON	289,071	203,474
Other	1,046,284	877,670
Total	**31,900,133**	**28,454,421**

In addition to figures from the established market and credit risk models (MCEV, SCR, etc.), stress tests and sensitivity analyses are used to measure and manage market and credit risk and their components.

The following tables show the most important market risks in the form of key sensitivity figures, along with their impact on equity and profit/(loss) for the period. Depending on the measurement principle to be applied, any future losses from the measurement at fair value may result in different fluctuations in profit/(loss) for the period or in other comprehensive income. The key figures are calculated theoretically on the basis of actuarial principles and do not take into consideration any diversification effects between the individual market risks or countermeasures taken in the various market scenarios.

Sensitivities for other investments are determined by simulating each scenario for each individual item, keeping all other parameters constant in each case. Market value changes that have no effect on the balance sheet include reclassified bonds and loans in the case of interest rate and credit spread risk.

Interest rate risk

	31/12/2021		31/12/2020[1]	
In € thousand	+50 basis points	–50 basis points	+50 basis points	–50 basis points
Government bonds	–484,651	548,866	–564,293	633,667
Corporate bonds (incl. covered)	–176,478	189,139	–198,932	207,914
Other	–65,832	76,753	–32,159	38,838
Total	**–726,962**	**814,759**	**–795,383**	**880,419**
Of which income statement	–1,358	5,082	3,179	194
Of which equity	–725,603	809,678	–798,563	880,225

Credit spread risk

	31/12/2021	31/12/2020[1]
In € thousand	+50 basis points	+50 basis points
Income statement	–374	503
Equity	–785,327	–877,721
Total	**–785,701**	**–877,218**

Equity risk

	31/12/2021	31/12/2020[1]
In € thousand	–25%	–25%
Income statement	–4,098	–33,160
Equity	–301,161	–166,949
Total	**–305,259**	**–200,110**

[1] The adjustment to the sensitivity calculation was made as a result of the changed market environment and in line with current market practice.

Currency risk

In € thousand	31/12/2021 10%	31/12/2021 –10%	31/12/2020 10%	31/12/2020 –10%
PLN	128,226	–128,015	146,247	–146,247
USD	57,494	–57,227	14,494	–40,788
CZK	64,740	–64,753	65,034	–65,098
RUB	24,046	–24,046	22,491	–22,491
HUF	14,479	–14,479	16,112	–16,112
Other	57,479	–57,479	43,532	–46,942
Total	**346,464**	**–346,000**	**307,910**	**–337,678**
Of which income statement	323,681	–323,554	183,189	–217,999
Of which equity	22,783	–22,446	124,721	–119,679

In **life insurance** the interest rate assumptions are the crucial influencing factor on the liability adequacy test and deferred acquisition costs. The impact of the implied new funds assumption (including reinvestment) is therefore stated below.

If new funds are assumed with a +100 bp increase, then the resulting net effect (after accounting for the deferred profit participation) amounts to €8 million. A –100 bp reduction in this assumption results in a net effect of €–10 million. The effects described relate to the changes in deferred acquisition costs along with the impact on the liability adequacy test. The results were determined using the traditional business in Austria which makes up the majority of insurance provision in the Group.

In **non-life insurance**, the provision for unsettled claims is formed based on reported claims and applying accepted statistical methods. One crucial assumption here is that the pattern of claims observed from the past can be sensibly extrapolated for the future. Additional adjustments need to be made in cases where this assumption is not possible.

The calculation of claim provisions is associated with uncertainty based on the time required to process claims. In addition to the normal chance risk, there are also other factors that may influence the future processing of the claims that have already occurred. In particular, the reserving process for court damages in property and casualty insurance should be mentioned here. A reserve estimate is prepared here for these damages based on expert assessment, although this estimate can be exposed to high levels of volatility specifically with major damage at the start of the process for collecting court costs.

The partial internal model in property and casualty insurance is a suitable instrument for quantifying the volatility involved in processing. Pursuant to analysis of these model results, it was determined that a deviation of 5 per cent from the basic provision calculated may represent a realistic scenario. Based on the current provision for unsettled claims of €3,254 million (excluding additional provisions such as provisions for claim settlement) in the Group on a gross basis, this would mean an increase in claims incurred by €163 million.

Health insurance similar to life technique is now also affected by the period of low interest rates. Since 1 July 2021 only tariffs with the 0.5 per cent discount rate are being sold. That fact, together with the tariffs sold in 2018 at the discount rate of 1 per cent, further reduces the average discount rate. A reduction in the capital earnings by 100 bp (based on 2020 investment results) would reduce the earnings before taxes by €41 million.

Liquidity risk

Ongoing liquidity planning takes place in order to ensure that UNIQA is able to meet its payment obligations over the next twelve months.

Obligations with a term of more than twelve months are covered by investments with matching maturities as far as possible within the framework of the ALM process and the strategic guidelines. In addition, a majority of the securities portfolio is listed in liquid markets and can be sold quickly and without significant markdowns if cash is required.

There are underwriting obligations mainly in the form of funds from holdings in healthcare and investments in private debt, as well as in the infrastructure sector, amounting to €794,770 thousand (2020: €574,187 thousand).

Financial liabilities
Contractual maturities at 31 December 2021

In € thousand

	Liabilities from bonds and loans	Derivative financial instruments	Lease liabilities	Total
2022	8,250	10,015	10,502	28,767
2023	8,250	0	9,026	17,276
2024	8,250	0	7,497	15,747
2025	8,250	0	10,877	19,127
2026	8,250	0	5,174	13,424
> 2027	633,000	11,828	60,154	704,982

Financial liabilities
Contractual maturities at 31 December 2020

In € thousand

	Liabilities from bonds and loans	Derivative financial instruments	Lease liabilities	Total
2021	19,348	1,617	14,210	35,174
2022	8,250	13	11,051	19,314
2023	8,250	278	9,601	18,129
2024	8,250	0	7,393	15,643
2025	8,250	0	6,936	15,186
> 2026	641,250	0	34,891	676,141

Subordinated liabilities
Contractual maturities at 31 December 2021

In € thousand

	Notional amount[1)]	Coupon payments	Total
2022	0	45,207	45,207
2023	148,700	45,207	193,907
2024	0	34,984	34,984
2025	200,000	34,984	234,984
2026	326,300	28,484	354,784
> 2027	375,000	44,531	419,531

1) Contractual maturities based on the first possible termination date

Subordinated liabilities Contractual maturities at 31 December 2020

In € thousand

	Notional amount[1]	Coupon payments	Total
2021	0	60,563	60,563
2022	0	60,563	60,563
2023	350,000	60,563	410,563
2024	0	36,500	36,500
2025	200,000	36,500	236,500
> 2026	500,000	30,000	530,000

1) Contractual maturities based on the first possible termination date

Concentration risks

UNIQA strives to keep **concentration risks** as low as possible.

These could arise, for example, from the transfer of insurance business to individual reinsurance companies to an inappropriate extent. This can have a material influence on UNIQA's result in case of late payment (or non-payment) by an individual reinsurer. UNIQA controls such risks with an internal reinsurance company that is responsible for selecting external reinsurance parties, taking into account strict guidelines for avoiding material concentration risks.

However, concentration risk can also arise among other things from the composition of balance sheet items reported in the assets. Throughout the investment period, the company continuously checks to ensure that the investment volumes in securities of individual issuers do not exceed certain limits in relation to the total investment volume, defined according to the respective credit rating.

Underwriting risks

The underwriting risks are divided into non-life, life and health insurance.

The underwriting risk in **non-life insurance** is broken down into the three risk categories of premium, reserve and catastrophe risk.

Premium risk is defined as the risk that future benefits and expenses in connection with insurance operations will exceed the premiums collected for the insurance concerned. Such a loss may also be caused in insurance operations by exceptionally significant, but rare loss events, known as major claims or shock losses. Natural catastrophes represent a further threat from events that are infrequent but that nevertheless cause substantial losses. This risk includes financial losses caused by natural hazards, such as floods, storms, hail or earthquakes. In contrast to major individual claims, insurance companies in this case refer to cumulative losses.

Reserve risk refers to the risk that technical provisions recognised for claims that have already occurred will turn out to be inadequate. The loss in this case is referred to as settlement loss. The claim reserve is calculated using actuarial methods. External factors, such as changes in the amount or frequency of claims, legal decisions, repair and/or handling costs, can lead to differences compared with the estimate.

To counter and actively manage these risks, UNIQA runs a number of processes integrated into its insurance operations. For example, a Group Policy specifies that new products may only be launched if they satisfy certain profitability criteria. Major claims and losses from natural catastrophes are appropriately managed by means of special risk management in the underwriting process (primarily in corporate activities) and by the provision of suitable reinsurance capacity.

In connection with claim reserves, guidelines also specify the procedures to be followed by local units when recognising such reserves in accordance with IFRSs. A quarterly monitoring system and an internal review process safeguard the quality of the reserves recognised in the whole of the Group.

An essential element in risk assessment and further risk management is the use of the non-life partial model. This risk model uses stochastic simulations to quantify the risk capital requirement for each risk category at both company and Group levels.

In 2021, the entities acquired by AXA in Poland, the Czech Republic and Slovakia were integrated into the Group model.

In **life insurance**, the underwriting risk is generally defined as the risk of loss or adverse developments affecting the value of insurance liabilities. It is divided into the categories of mortality, longevity, disability-morbidity, lapse, expense, revision and catastrophe risk.

The mortality risk depends on possible fluctuations in mortality rates due to an increase in deaths which would have an adverse effect on the expected benefits to pay on risk insurance policies.

Longevity risk refers to the adverse effects of random fluctuations in mortality rates due to a decline in the mortality rate. The insurer is thereby exposed to the risk that the anticipated life expectancy in the calculation of the premium will be exceeded in reality and that the expenditure for pension payments will be higher than planned.

The disability-morbidity risk is caused by possible adverse fluctuations in disability, sickness and morbidity rates compared to what they were at the time the premium was calculated.

The lapse risk arises from the fluctuations in policy cancellation, termination, renewal, capital selection and surrender rates of insurance policies. Overall, it represents the uncertainty regarding customer behaviour.

The expense risk refers to adverse effects due to fluctuations in the administrative costs of insurance and reinsurance contracts.

The revision risk results from fluctuations in the revision rates for annuities due to changes in the legal environment.

The catastrophe risk results from significant uncertainty in relation to pricing and the assumptions made in the creation of provisions for extreme/exceptional events. The most relevant risk in this context is an immediate dramatic increase in mortality rates: in this case, death benefits in the risk portfolio could not be fully financed by the risk premium collected.

In the context of life insurance, the main techniques for risk mitigation are the adjustment of future profit participations or a corresponding premium adjustment as well as additional reinsurance policies, which are carried out in compliance with legal and contractual framework conditions. These measures are crucial for the underlying risk models and contain detailed information and regulations, particularly with regard to profit participation. In practice, profitable new business supports the risk-bearing capacity of the existing portfolio, whereby careful risk selection (e.g. health checks) and cautiously chosen calculation principles for premiums are essential cornerstones when designing products. By including premium adjustment clauses, the potential to reduce risk can be improved, especially in the risk and occupational disability portfolio.

The **health insurance business** is operated primarily in Austria. As a result, risk management in this line focuses mainly on Austria.

Health insurance is a loss insurance which is calculated under consideration of biometric risks and is operated in Austria mainly according to the similar to life technique.

The main techniques for risk mitigation in health insurance are the adjustment of future profit participations and the premium adjustment which is carried out in compliance with legal and contractual framework conditions. These measures are crucial for the underlying risk models and contain detailed information and regulations, particularly with regard to profit participation. In practice, classic risk-mitigation techniques are also relevant here.

For health insurance they include:

- prudent setting of the discount rate at a level that is expected to be earned in the long term;
- risk selection, i.e. a targeted pre-selection of prospective customers for insurance products, for example through health checks;
- careful selection of the termination rate probabilities (death and lapse) in order to calculate adequate premiums for the benefits to be expected;
- the consideration of premium adjustment clauses in various health insurance products in order to be able to adjust premiums in line with changes in the calculation principles in case of changes in the expected values;
- where necessary, reinsurance solutions are applied to partial portfolios.

In addition to these classic risk mitigation techniques, an ongoing process for managing portfolios has been established. This process is carried out annually by determining and evaluating the need for rate adjustments. The effectiveness of the risk mitigation techniques described for the health business is assessed by comparing invoiced and actual benefits as well as by calculating contribution margin calculations.

Operational risk

Operational risk includes losses that are caused by insufficient or failed internal processes, as well as losses caused by systems, human resources or external events.

The operational risk includes legal risk, but not reputation or strategic risk. Legal risk is the risk of uncertainty due to lawsuits or uncertainty in the applicability or interpretation of contracts, laws or other legal requirements. At UNIQA, legal risks are monitored on an ongoing basis, and reports are made to the Group Management Board. UNIQA's risk management process also defined the risk process for operational risks in terms of methodology, workflow and responsibilities. The risk manager is responsible for compliance throughout all Group companies.

A distinctive feature of operational risk is that it can surface in all processes and departments. This is why operational risk is identified and evaluated in every operational company at a very broad level within UNIQA. Risks are identified with the help of a standardised risk catalogue that is regularly checked for completeness.

According to international standards, UNIQA – as a financial service provider – forms part of the critical infrastructure of key importance to the national community. If this infrastructure were to fail or become impaired, it would cause considerable disruption to public safety and security or lead to other drastic consequences.

As a rule, emergencies, crises and disasters are unexpected events for which it is impossible to plan, although systems and processes can be put in place to deal with such events. The systems and processes must then be treated as a special responsibility of management and must be dealt with professionally, efficiently and as quickly as possible.

UNIQA has implemented a business continuity management system covering the issues of crisis prevention, crisis management and business recovery (including business emergency plans). The UNIQA BCM model is based on international rules and standards and is developed on a continuous basis.

Emerging risk

Emerging risk refers to newly arising or changing risks that are difficult to quantify and can have a significant impact on an organisation. Among the main drivers of the changing risk landscape are new economic, technological, socio-political and ecological developments and the increasing interdependencies between them, which may lead to a growing concentration of risk. In addition, a changing business environment – the further development of regulatory rules, the increased expectations of stakeholders and the shift in risk perception – must be taken into account.

Reputational risk

Reputational risk describes the risk of loss that arises because of possible damage to the company's reputation, because of deterioration in prestige, or because of a negative overall impression caused by negative perception by customers, business partners, shareholders or supervisory agencies.

Reputational risks that occur in the course of core processes such as claim processing or advising and service quality are identified, evaluated and managed as operational risks in the Group companies.

Contagion risk

Group risk management analyses whether the reputation risk observed in the Group or in another unit may occur, and whether the danger of "contagion" within the Group is possible. The analyses performed guard against contagion risk.

Strategic risk

Strategic risk refers to the risk that results from management decisions or insufficient implementation of management decisions that may influence current or future income or solvency. This includes the risk that arises from management decisions that are inadequate because they ignore a changed business environment. Like operational and reputational risks, strategic risks are evaluated on an ongoing basis.

45. Reinsurance

The Group Management Board determines, directly and indirectly, the strategic contents of its reinsurance policy with its decisions regarding risk and capital policy. The structure of the purchasing of external reinsurance is linked to the risk management process, thus enabling the risk capital to be relieved.

Reinsurance structures support the continuous optimisation of the required risk capital and the management of the use of this risk capital. Great importance is attached to the maximum use of diversification effects. Continuous analysis of reinsurance purchasing for efficiency characteristics is an essential component of internal risk management processes.

UNIQA Re AG in Zurich, Switzerland, is responsible for the operational implementation of these tasks. It is responsible for and guarantees the implementation of the reinsurance policy issued by the Group Management Board. UNIQA Re AG is available to all Group companies as the risk carrier for their reinsurance needs.

The assessment of the exposure of the portfolios assumed by the Group companies is of central importance. Periodic risk assessments have been performed for years in the interest of a value-based management of the capital commitment. Extensive data are used to assess risk capital requirements for the units in question and their reinsurance programmes are structured in a targeted manner.

For the property and casualty insurer, promises of performance for protection against losses resulting from natural hazards frequently represent by far the greatest stress on risk capital due to the volatile nature of such claims and the conceivable amount of catastrophic damages. UNIQA has set up a specialised unit in order to deal with this problem. Exposure is constantly monitored and evaluated at the country and Group levels in cooperation with internal and external authorities. UNIQA substantially eases the pressure on its risk capital through the targeted utilisation of all applicable diversification effects and the launching of an efficient retrocession programme.

UNIQA Re AG has assumed almost all of the UNIQA Group's required reinsurance business ceded in the reporting period. Only in the life insurance line was there a portion of the necessary cessions given directly to external reinsurance companies. The Group assumes reasonable deductibles in the retrocession programmes based on risk- and value-based approaches.

Approval for publication

These consolidated financial statements were prepared by the Management Board as at the date of signing and approved for publication.

Vienna, 9 March 2022

Andreas Brandstetter
Chairman of the Management Board

Peter Eichler
Member of the Management Board

Wolf-Christoph Gerlach
Member of the Management Board

Peter Humer
Member of the Management Board

Wolfgang Kindl
Member of the Management Board

René Knapp
Member of the Management Board

Erik Leyers
Member of the Management Board

Klaus Pekarek
Member of the Management Board

Kurt Svoboda
Member of the Management Board

Declaration of the legal representatives

Pursuant to Section 82(4) of the Austrian Stock Exchange Act, the Management Board of UNIQA Insurance Group AG hereby confirms, that, to the best of our knowledge, the consolidated financial statements, which were prepared in accordance with the relevant accounting standards, give a true and fair view of the financial position, financial performance and cash flows of the Group, and that the Group management report describes the relevant risks and uncertainties which the Group faces.

Vienna, 9 March 2022

Andreas Brandstetter
Chairman of the Management Board

Peter Eichler
Member of the Management Board

Wolf-Christoph Gerlach
Member of the Management Board

Peter Humer
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Erik Leyers
Member of the Management Board

Klaus Pekarek
Member of the Management Board

Kurt Svoboda
Member of the Management Board

We draw attention to the fact that the English translation of this auditor's report according to section 274 UGB (Austrian Company Code) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Auditor's Report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of UNIQA Insurance Group AG, Vienna, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated income statement from 1 January until 31 December 2021, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the financial year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at 31 December 2021, and of its financial performance and cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code and the supplementary provisions of section 138 para. 8 Austrian Insurance Supervision Act.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian Generally Accepted Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the financial year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:

- Description
- Audit approach and key observations
- Reference to related disclosures

1. Measurement of goodwill as well as of other intangible assets

- Description

Goodwill in the amount of EUR 353,054k as well as intangible assets still under development in the amount of EUR 104,389k, which mainly relate to software development in the course of the renewal of the Group-wide IT systems, are tested for impairment at least once a year and additionally whenever there is an indication for impairment.

The impairment tests carried out for this purpose require the Management Board to make discretionary decisions, estimates and assumptions, which particularly includes budgeted cash flows in the individual cash-generating units, future market conditions, growth rates and capital costs. Changes in these assumptions as well as in the methods used may have a material impact on measurement.

Due to the matter described, we considered the measurement of goodwill as well as of other intangible assets as a key audit matter in our audit.

▪ Audit approach and key observations

We:

▪ evaluated work flows and the measurement approach as well as tested selected key controls,
▪ compared the accounting and measurement methods with the accounting provisions of IAS 38 and IAS 36,
▪ examined whether the calculation method of the impairment test is appropriate and assessed the significant discretionary decisions and assumptions,
▪ verified the derivation of the capital costs and juxtaposed it to a calculation we made ourselves and
▪ compared the company planning approved by the Management Board and Supervisory Board with the cash flows included in the impairment test, as well as
▪ examined whether the respective disclosures in the notes were complete.

The accounting and measurement methods applied are in accordance with IFRSs. We consider the underlying assumptions and measurement parameters to be plausible and reasonable.

▪ Reference to related disclosures

Refer to chapter “Use of discretionary decisions and estimates” under General information in the notes as well as “11. Intangible assets” in the notes to the consolidated financial statements

2. Refinancing of subordinated liabilities

▪ Description

In December of the financial year, UNIQA Insurance Group AG bought back two outstanding subordinated bonds at a total nominal amount of EUR 375 million in the capital market. The bonds were originally issued in July 2013 with a first termination option for the Company in July 2023, and in July 2015 with a first termination option for the Company in July 2026. For the purposes of the partial buyback of the two bonds, additional refinancing costs in the form of call premiums were paid in the amount of EUR 65 million in the financial year and recorded as an expense in the financial year.

In order to finance the partial buyback, a subordinated bond (Tier 2) was placed in the capital market at the same volume of EUR 375 million.

Due to its material impact on the results, we considered this matter as a key audit matter in our audit.

▪ Audit approach and key observations

We:

▪ obtained the Austrian Financial Market Authority’s approvals for the partial buyback of the two bonds and the issuing of the subordinated bond as well as the necessary internal organizational resolutions and approvals,
▪ examined the presentation of the buyback of the two bonds and the financing costs incurring in this regard in the notes to the consolidated financial statements, and
▪ examined the presentation of the newly issued bond as well as the related transaction cost in the notes to the consolidated financial statements.

The accounting and measurement methods applied are in accordance with IFRSs. We consider the presentation of the above stated matter in the consolidated financial statements to be appropriate.

▪ Reference to related disclosures

Refer to chapter “Use of discretionary decisions and estimates” under General information in the notes as well as “25. Subordinated liabilities” in the notes to the consolidated financial statements

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the management report for the Group and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code and the supplementary provisions of section 138 para. 8 Austrian Insurance Supervision Act, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles and the provisions of the Austrian Insurance Supervision Act.

We conducted our audit in accordance with Austrian standards on auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the applicable legal regulations, comprising the details in accordance with section 243a UGB, and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional Information in Accordance with Article 10 of the EU Regulation

We were elected as statutory auditor at the ordinary general meeting dated 25 May 2020. We were appointed by the Supervisory Board on 30 November 2020. Besides that, we were elected as auditor for the following financial year by the ordinary general meeting on 31 May 2021 and appointed by the Supervisory Board on 6 December 2021. We have audited the Company for an uninterrupted period since 31 December 2013.

We confirm that the audit opinion in the "Report on the Consolidated Financial Statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that no prohibited non-audit services (Article 5 para. 1 of the EU Regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Engagement Partner

Responsible for the proper performance of the engagement is Mr. Werner Stockreiter, Austrian Certified Public Accountant.

Vienna
9 March 2022

PwC Wirtschaftsprüfung GmbH

Werner Stockreiter
Austrian Certified Public Accountant

signed

This report is a translation of the original report in German, which is solely valid. Publication and sharing with third parties of the consolidated financial statements together with our auditor's report is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This auditor's report is only applicable to the German and complete consolidated financial statements with the management report for the Group. For deviating versions, the provisions of section 281 para. 2 UGB apply.

Service

Glossary

Acquisition costs

The amount paid to acquire an asset in cash or cash equivalents or the fair value of another form of compensation at the time of acquisition.

Affiliated companies

The parent company and its subsidiaries are affiliated companies. Subsidiaries are entities controlled by UNIQA.

Amortised cost

Amortised costs are costs of acquisition less permanent impairment (e.g. ongoing depreciation and amortisation).

Asset allocation

The structure of the investments, i.e. the proportional composition of the overall investments made up of the different types of investment (e.g. equities, fixed-income securities, equity investments, land and buildings, money market instruments).

Asset liability management

Management concept whereby decisions related to company assets and the equity and liabilities are coordinated. Strategies related to the assets and the equity and liabilities are formulated, implemented, monitored and revised with this in a continuous process in order to attain the financial objectives given the risk tolerances and restrictions specified.

Associates

Associates are all the entities over which UNIQA has significant influence but does not exercise control or joint control over their financial and operating policies. This is generally the case as soon as there is a voting share of between 20 and 50 per cent or a comparable significant influence is guaranteed legally or in practice via contractual regulations.

Available-for-sale financial assets

The available-for-sale financial assets include financial assets that are neither due to be held to maturity, nor have been acquired for short-term trading purposes. Available-for-sale financial assets are measured at fair value. Fluctuations in value are recognised in other comprehensive income in the consolidated statement of comprehensive income.

Benchmark method

An accounting and measurement method preferred within the scope of IFRS accounting.

Best estimate

Calculation based on the best estimate. This is the probability-weighted average of future cash flows taking into account the expected present value and using the relevant risk-free yield curve.

Combined ratio

Total of operating expenses and insurance benefits divided by the (net) premiums earned in property and casualty insurance.

Corporate governance

Corporate governance refers to the legal and factual framework for managing and monitoring companies. Corporate governance regulations are used in order to ensure transparency and thereby boost confidence in responsible company management and controls based around added value.

Cost ratio

Ratio of total operating expenses (net of reinsurance commissions received and share of profit from reinsurance ceded) to consolidated premiums earned (including savings portions of unit-linked and index-linked life insurance).

Deferred acquisition costs

These include the costs of the insurance company incurred in connection with the acquisition of new or the extension of existing contracts. Costs such as acquisition commissions as well as costs for processing applications and risk assessments are some of the items to be recorded here.

Direct insurance/insurance business acquired with the company itself

This relates to those contracts that a direct insurer enters into with private individuals or companies. The opposite of this is insurance acquired as a reinsurer (indirect business) for business acquired from another primary insurer or a reinsurer.

Duration

Duration refers to the weighted average term of an interest-rate-sensitive investment or of a portfolio and is a measure of risk for the sensitivity of investments in the event of changes to interest rates.

ECM

Economic Capital Model. UNIQA assessment based on the EIOPA standard formula for calculating the risk capital requirement with the deviations of risk exposure for EEA (European Economic Area) government bonds, treatment of asset-backed securities and using the partial internal model for property and casualty insurance.

Economic capital requirement (ECM)

Risk capital requirement that results from the economic capital model.

ECR ratio

Economic capital requirement ratio. Ratio of eligible capital (own funds) to risk capital according to the UNIQA Economic Capital Model. It represents a solvency ratio according to internal calculation methodology.

Equity method

Investment in associates is accounted for using this method. The value carried corresponds to the Group's proportional equity in these companies. In the case of shares in companies that prepare their own consolidated financial statements, their Group equity is assessed accordingly in each case. Within the scope of ongoing measurement, this value must be updated to incorporate proportional changes in equity with the share of net income/(loss) being allocated to consolidated profit/(loss).

Fair value

The fair value is the price that would be collected in an ordinary business transaction between market participants for the sale of an asset or that would be paid for transferring a liability.

FAS

US Financial Accounting Standards that set out the details on US GAAP (Generally Accepted Accounting Principles).

Gross (premiums written)

The gross (premiums written) includes details on the items in the balance sheet and the income statement, excluding the proportion from reinsurance.

Hedging

Hedging against unwanted changes in exchange rates or prices using an appropriate offsetting item, particularly derivative financial instruments.

IASs

International Accounting Standards.

IFRSs

International Financial Reporting Standards. Since 2002 the term IFRSs has applied to the overall concept of standards adopted by the International Accounting Standards Board. Standards already adopted beforehand continue to be referred to as International Accounting Standards (IASs).

Insurance benefits

Total of insurance benefit payments and changes in the claims provision during the financial year in connection with direct insurance and reinsurance contracts (gross). This involves net insurance benefits when reduced by the amount ceded to reinsurance companies. This does not include claims settlement expenses and changes in the provisions for claims settlement expenses.

Insurance provision

Provision in the amount of the existing obligation to pay insurance benefits and reimbursements, predominantly in life and health insurance. The provision is determined using actuarial methods as a balance of the present value of future obligations less the present value of future premiums.

Loss ratio

The ratio of insurance benefits in property and casualty insurance to premiums earned.

Minimum capital requirement (MCR)

The minimum level of security below which the eligible basic own funds should not fall. The MCR is calculated using a formula in relation to the solvency capital requirement.

Net

The part of risk which is assumed but that the insurer/reinsurer does not cede as reinsurance.

Non-controlling interests

Shares in the profit/(loss) that are not attributable to the Group but rather to companies outside the Group that hold shares in affiliated companies.

Operating expenses

This item includes acquisition expenses as well as portfolio management expenses and the expenses for implementing reinsurance. The operating expenses remain for the company's own account following deduction of the commissions and profit participation received from the reinsurance business ceded.

Overall solvency needs (OSN)

Designates the company's individual risk assessment and the resulting capital requirements. Corresponds to the ECR at UNIQA.

Own risk and solvency assessment (ORSA)

The company's own forward-looking risk and solvency assessment process. It forms an integral part of corporate strategy and the planning process – but is also part of the overall risk management strategy.

(Partial) internal model

Internally generated model developed by the insurance or reinsurance entity concerned and at the instruction of the FMA to calculate the solvency capital requirement or relevant risk modules (on a partial basis).

Premiums

Total premiums written. All premiums from contracts written in the financial year from business acquired by the company directly and as inward reinsurance.

Premiums earned

The actuarial premiums earned that determine the income for the year. In order to determine these, the changes to the unearned premiums, the cancellation provisions and the premiums not yet written are taken into account, along with the gross premium volume written attributable to the financial year.

Premiums written

All premiums due during the financial year arising from insurance contracts under direct insurance business, regardless of whether these premiums relate (either wholly or partially) to a later financial year. This involves (net) premiums written when reduced by the amount ceded to reinsurance companies.

Profit participation

Policyholders have a reasonable right under statutory and contractual regulations to the company's surplus profits generated in life and health insurance. The level of this profit participation is determined again each year.

Provision for premium refunds and profit participation

The part of the surplus set aside for future distribution to the policyholders is placed in the provisions for premium refunds or profit participation. Deferred amounts are also included in the provision.

Provision for unsettled claims

Also known as a claims reserve; takes into account obligations from claims that have already occurred as at the reporting date but which have not yet been settled in full.

Reinsurance

An insurance company insures part of its risk via another insurance company.

Reinsurance premiums ceded

Proportion of premiums to which the reinsurer is entitled as a result of assuming certain risks within the scope of reinsurance coverage.

Retrocession

Retrocession means reinsurance of inward reinsurance and is used as a risk policy instrument by professional reinsurance companies as well as in active reinsurance by other insurance companies.

Return on equity (ROE)

The return on equity is the ratio of the profit/(loss) to the average equity, after deducting non-controlling interests in each case.

Revaluation reserves

Unrealised gains and losses resulting from the difference between the fair value and the amortised cost are recorded directly in the equity in the item “Revaluation reserve” without affecting profit, and following deduction of deferred tax and deferred profit participation (in life insurance).

Risk appetite

Conscious assumption and handling of risk within risk-bearing capacity.

Risk limit

Limits the level of risk and ensures that, based on a specified probability, a certain level of loss or a certain negative variance from budgeted values (estimated performance) is not exceeded.

Risk margin

Under Section 161 of the Austrian Insurance Supervision Act 2016, the risk margin is an add-on to the best estimate to ensure that the value of technical provisions equates to the amount that insurers and reinsurers would need so that they are able to assume and satisfy their insurance and reinsurance obligations.

Securities held to maturity

Securities that are held to maturity Securities that are held to maturity are debt securities that are intended to be held until they reach maturity. They are accounted for at amortised cost.

Solvency

An insurance company’s equity base.

Solvency II

European Union Directive on publication obligations and solvency rules for the equity base of an insurance company.

Solvency capital requirement (SCR)

The eligible own funds that insurers or reinsurers must hold to enable them to absorb significant losses and give reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due. It is calculated to ensure that all quantifiable risks (such as market risk, credit risk, life underwriting risk) are reliably taken into account. It covers both current operating activities and the new business expected in the subsequent twelve months.

Standard model (formula)

Standard formula for calculating the solvency capital requirement.

Stress test

Stress tests are a special form of scenario analysis. The objective is to provide a quantitative statement on the loss potential for portfolios in the event of extreme market fluctuations.

Subordinated liabilities

Liabilities that can only be repaid following the rest of the liabilities in the event of liquidation or bankruptcy.

Supplementary capital

Paid-in capital that is provided to the insurance company for a minimum of five years with a waiver of the right to cancel under the relevant agreement, and for which interest may only be paid provided that this is covered by the annual net profit.

Tiers

Classification of the basic own fund components into Tier 1, Tier 2 and Tier 3 capital using the own funds list in accordance with the criteria specified in the EU implementing regulation. If a component of basic own funds is not included in the list, an entity must carry out its own assessment and decide on a classification.

Unearned premiums

The part of the premiums that represents the compensation for the insurance period after the reporting date but which has not yet been earned as at the reporting date. Except in the case of life insurance, unearned premiums must be stated in the balance sheet as a separate item under the technical provisions.

US GAAP

US Generally Accepted Accounting Principles.

Value at risk

Risk quantification method. This involves the calculation of the expected value of a loss that may arise in the event of unfavourable market developments with a probability specified within a defined period.

Value of business in force

Calculation of the value of business in-force (VBI). Designates the present value of future profits arising from life insurance contracts, less the present value of the costs arising from the capital to be held in connection with this business.

Overview of key figures 2017–2021

Consolidated key figures – five-year comparison
In € million

	2021	2020	2019	2018	2017
Premiums written including savings portions from unit-linked and index-linked life insurance	**6,358**	**5,565**	**5,373**	**5,309**	**5,293**
of which property and casualty insurance	3,490	3,010	2,847	2,774	2,640
of which health insurance	1,226	1,168	1,131	1,086	1,042
of which life insurance	1,642	1,387	1,395	1,449	1,612
Insurance benefits (net)	**– 4,104**	**– 3,695**	**– 3,666**	**– 3,634**	**– 3,547**
of which property and casualty insurance	– 1,965	– 1,775	– 1,719	– 1,690	– 1,645
of which health insurance	– 998	– 963	– 969	– 908	– 878
of which life insurance	– 1,141	– 956	– 977	– 1,036	– 1,025
Operating expenses (net)	**– 1,649**	**– 1,566**	**– 1,407**	**– 1,315**	**– 1,276**
of which property and casualty insurance	– 1,038	– 971	– 861	– 811	– 788
of which health insurance	– 207	– 225	– 188	– 184	– 168
of which life insurance	– 404	– 371	– 358	– 320	– 320
Combined ratio after reinsurance (in per cent)	**93.7%**	**97.8%**	**96.4%**	**96.8%**	**97.5%**
Loss ratio (in per cent)	61.3%	63.2%	64.2%	65.4%	65.9%
Cost ratio (in per cent)	32.4%	34.6%	32.2%	31.4%	31.6%
Net investment income	**648**	**505**	**585**	**585**	**572**
Earnings before taxes	**382**	**57**	**232**	**295**	**265**
of which property and casualty insurance	107	– 68	61	120	95
of which health insurance	173	80	86	96	110
of which life insurance	102	45	85	78	60
Consolidated profit/(loss)	**315**	**19**	**171**	**243**	**172**
Earnings per share (in €)	**1.03**	**0.06**	**0.56**	**0.79**	**0.56**
Dividend per share (in €)	**0.55** [1]	**0.18**	**0.18**	**0.53**	**0.51**
Equity (portion attributable to shareholders of UNIQA Insurance Group AG)	**3,304**	**3,450**	**3,368**	**2,972**	**3,158**
Total assets	**31,548**	**31,908**	**28,674**	**28,504**	**28,744**
Operating return on equity (in per cent)	**9.3%**	**0.6%**	**5.4%**	**7.9%**	**5.1%**
Solvency capital requirement (SCR) ratio (in per cent)	**196%**	**170%**	**221%**	**248%**	**250%**

[1] Proposal to the Annual General Meeting

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Clause regarding predictions about the future

This report contains statements which refer to the future development of the UNIQA Group. These statements present estimations which were reached on the basis of all of the information available to us at the present time. If the assumptions on which they are based do not occur, the actual events may vary from the results currently expected. As a result, no guarantee can be provided for the information given.

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