

Our mission and our values

The UNIQA Group endeavours to supply high-quality products, services and processes on a consistent basis and, in addition, to incorporate trends, technical progress and knowledge from our diverse customer contacts. We also want to be a reliable partner for our customers. We are there to support them whatever their circumstances, providing them with the confidence and courage that will enable them to enjoy their lives.

Our mission and our values – a sound basis

Just like in a family, we are dedicated to our customers so that they can enjoy life-long security and plan their lives with confidence. We want to abide by our four corporate values: we inspire, we shape the future, we are straightforward and we deliver. These values have grown from our business and determine our approach in all our areas of activity.

The UNIQA and Raiffeisen Insurance brand names – strong and trustworthy

Our uniform brand strategy across Europe emphasises the common identity shared by the entities in the UNIQA Group. We operate in all markets (with the exception of Russia) under the UNIQA brand name. UNIQA and Raiffeisen Insurance are the two strongest insurance brands in Austria; UNIQA is in first place by far, based on a score of 76 per cent for unprompted brand recognition. Raiffeisen Insurance benefits in turn from the strength of the Raiffeisen brand, the most recognised banking brand in

Austria with an unprompted brand recognition score of 81 per cent.

According to surveys, UNIQA is associated with positive emotions such as courage, happiness, innovation, curiosity and creativity. Building on this foundation, we initiated our first integrated international communications campaign in May 2014 entitled “Denk UNIQA – Denk Mut zum Glück” (Think UNIQA – Be Bold, Be Happy). In this campaign, we encourage our customers to take a proactive approach to shaping their lives. We have been successful, as attested by several audience and industry awards, as well as market surveys. Following the launch in Austria, we then implemented the campaign in CEE. The cross-media campaign is supported by discussion forums such as denk.uniq.at and initiatives for employees.

In 2015, 80 brand ambassadors in Austria and approximately 500 brand ambassadors in international markets were busy spreading the word on behalf of UNIQA. They were tasked with bringing UNIQA’s mission and values into their areas of activity and their organisations. To this end, in over 50 workshops in all our countries, numerous brand ambassadors and employees identified the most important moments in customer contact. They came up with more than 150 specific measures which help provide the perfect support to customers in every aspect of their interactions with the company related to UNIQA’s brand and values.

Closeness to our customers and corporate values put into practice: these are the cornerstones of our success. We will achieve the objectives of the UNIQA Group if we impress our customers with services that are second to none.

Good regional positioning

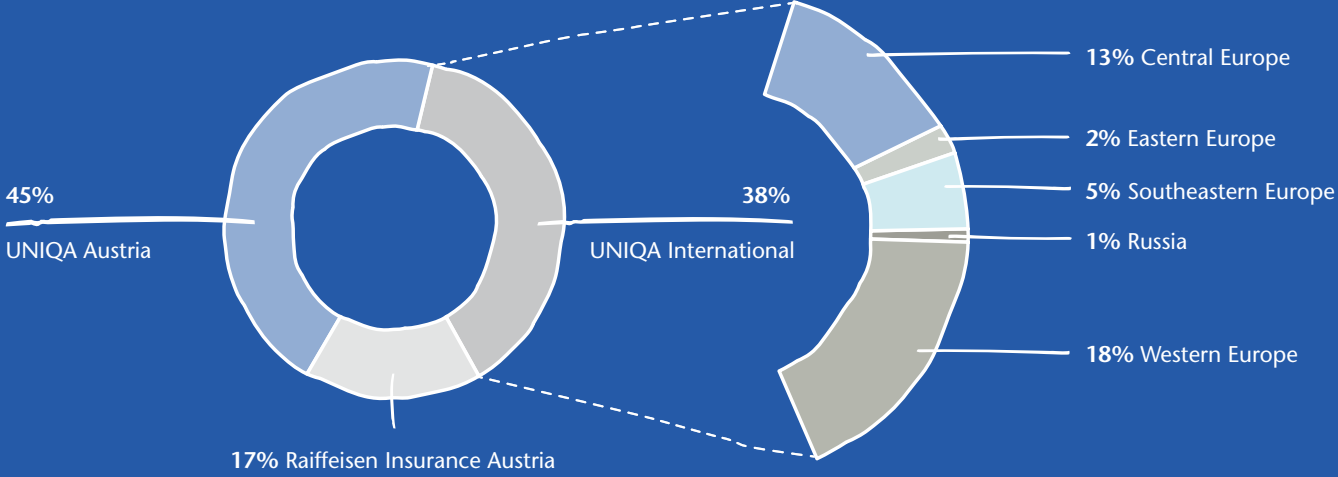
- Central Europe (CE)
- Eastern Europe (EE)
- Southeastern Europe (SEE)
- Russia

Czech Republic: GDP per capita growth of 260% (1995–2014) shows convergence of Central and Western Europe.

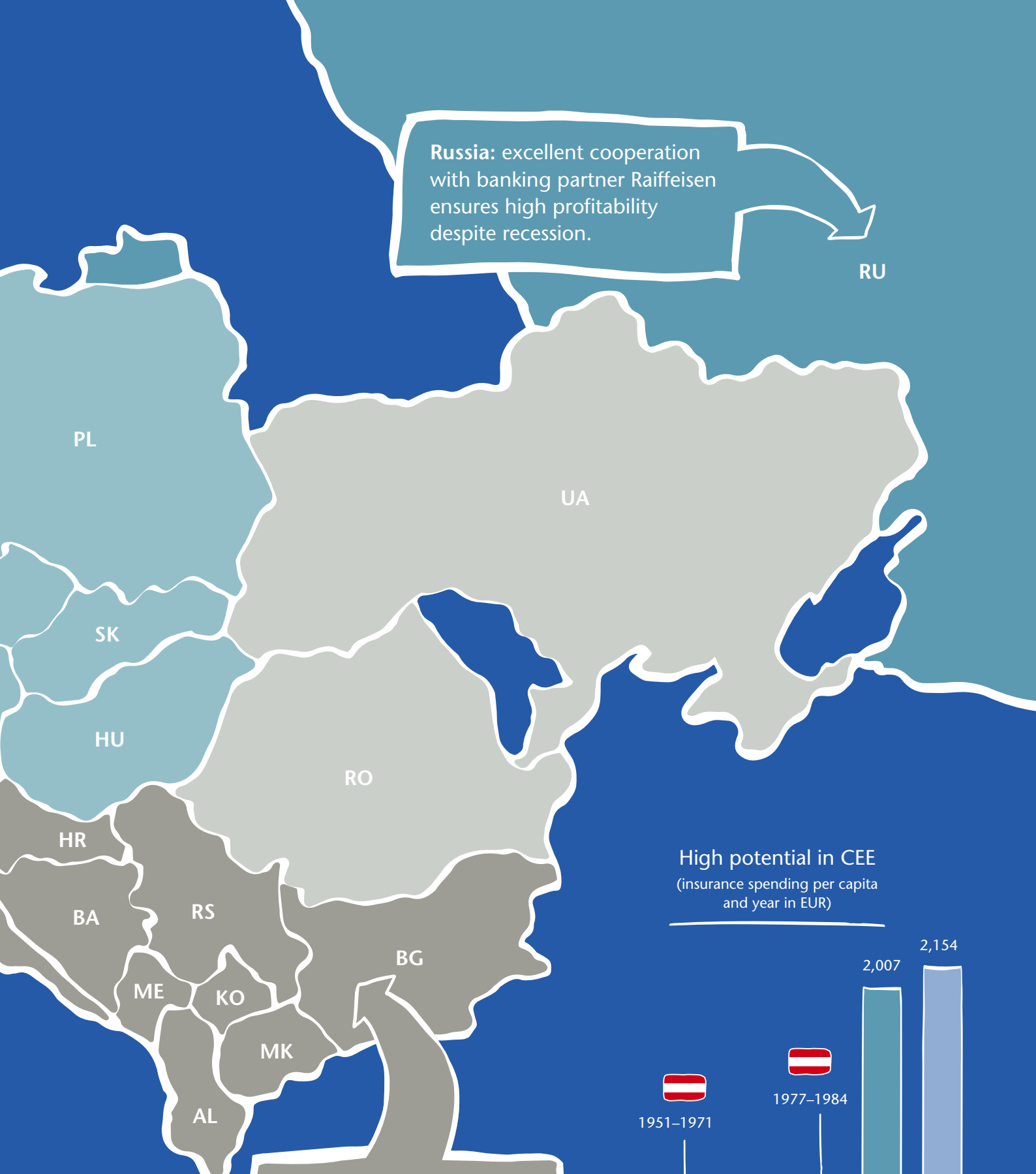
Austria: with a market share of 47% in health insurance, UNIQA perfectly covers Austrians' number 1 need.



Sales breakdown by region



UNIQA International (38%)



Russia: excellent cooperation with banking partner Raiffeisen ensures high profitability despite recession.

RU

UA

PL

SK

HU

RO

HR

BA

RS

BG

ME

KO

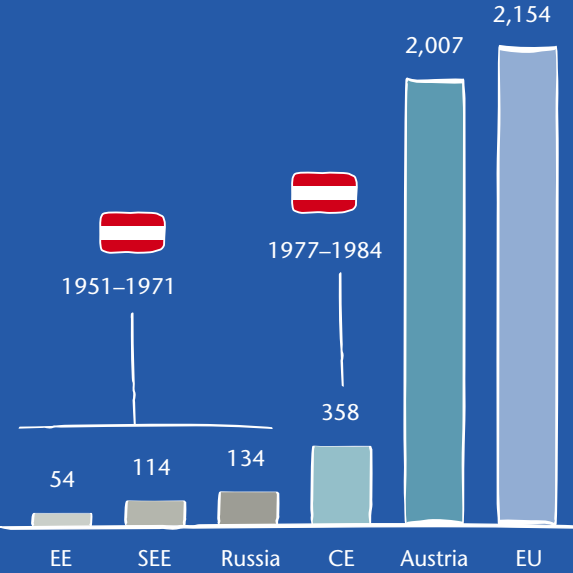
MK

AL

Southeastern Europe: insurance spending of only €114 per capita and year suggests enormous potential for increases.

High potential in CEE

(insurance spending per capita and year in EUR)



Management Board of UNIQA Insurance Group AG

ANDREAS BRANDSTETTER

**Chairman of the Management Board /
CEO / b. 1969**

With UNIQA since 1997. Previously, he worked for Raiffeisen Group in Austria and Brussels. He was appointed to the Management Board in 2002 and has driven the development of the CEE network. He took over as Chief Executive Officer (CEO) on 1 July 2011.

Responsible for: Investor Relations, Group Communication, Group Marketing, Group Human Resources, Group Internal Audit, and the Group General Secretary function

HANNES BOGNER

**Member of the Management Board /
CIO / b. 1959**

With UNIQA since 1994. Chief Financial Officer (CFO) from 1998 to 2014. Since 1 January 2015, he has been Chief Investment Officer (CIO) of the UNIQA Group. Previously, he worked as an Austrian Certified Public Accountant and Tax Advisor (beeideter Wirtschaftsprüfer und Steuerberater).

Responsible for: Group Asset Management, Legal & Compliance, Group Internal Audit

WOLFGANG KINDL

**Member of the Management Board /
UNIQA International / b. 1966**

With UNIQA since 1996 and in the international business since 1997. He was the CEO of UNIQA Assurances in Geneva from 2000 to

2004. In 2005, he took over as CEO of UNIQA International AG. He was appointed to the Management Board of UNIQA Insurance Group AG on 1 July 2011.

Responsible for: UNIQA International

THOMAS MÜNDEL

**Member of the Management Board /
COO / b. 1959**

Appointed as Chief Operating Officer (COO) on 1 January 2013. Previously, he held various management positions in an international insurance group over a period of 20 years.

Responsible for: Group Operations, Group IT, Group Project Office

KURT SVOBODA

**Member of the Management Board /
CFO/CRO / b. 1967**

With UNIQA since 2003. Initially, he was a managing director in the UNIQA Capital Markets GmbH. He was appointed to the Management Board as Chief Risk Officer (CRO) on 1 July 2011. On 1 January 2015, he also assumed responsibility for the role of Chief Financial Officer (CFO) of the UNIQA Group. Prior to 2003, he worked for international insurance companies and for an auditing firm.

Responsible for: Group Finance-Accounting, Group Finance-Controlling, Group Actuarial and Risk Management, Group Reinsurance, Regulatory Affairs

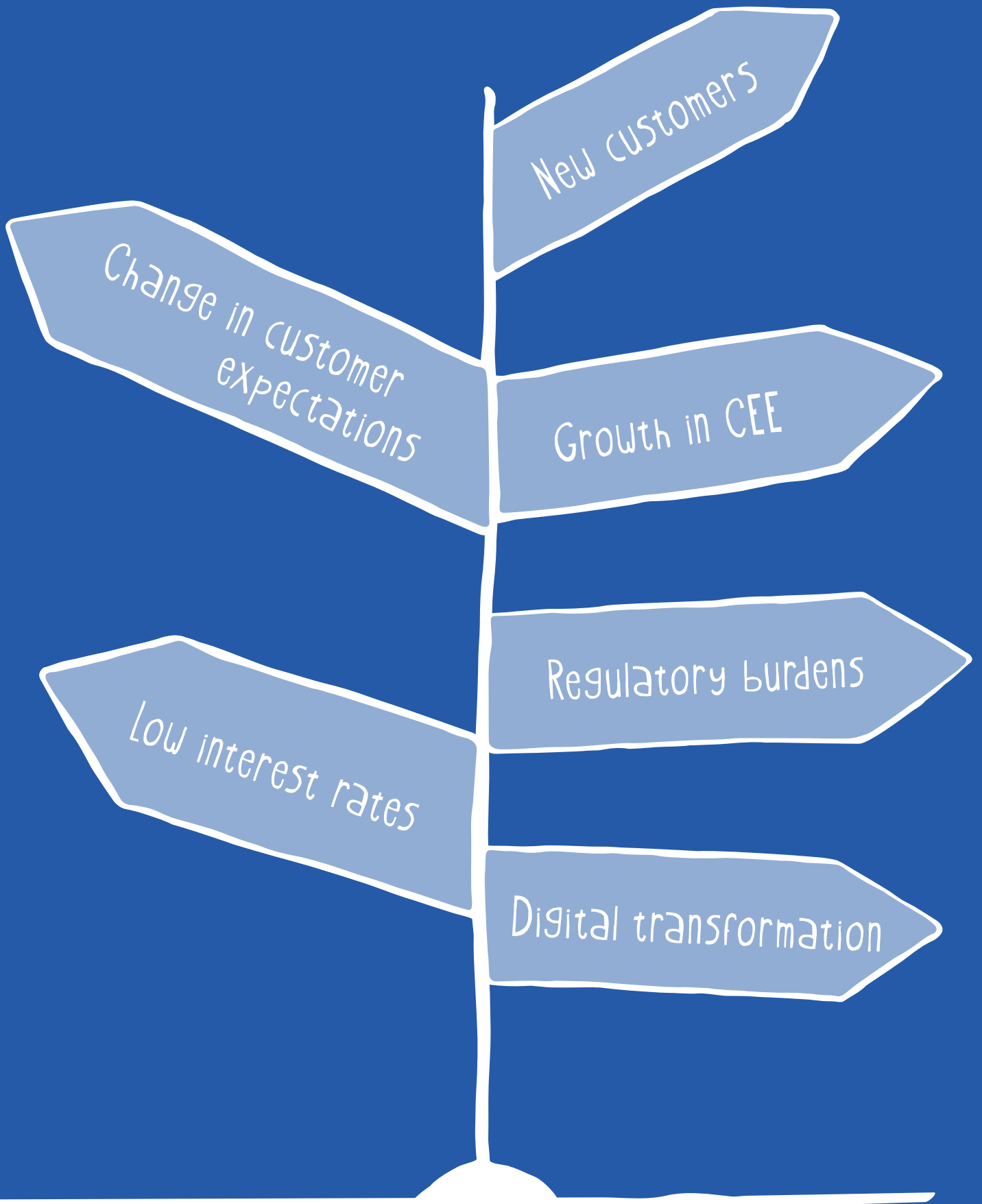


*From left to right: Thomas Münkel,
Wolfgang Kindl, Andreas Brandstetter,
Kurt Svoboda, Hannes Bogner*



Full speed ahead
into the future







Our growth strategy

Ready for launch

2011–2012

Goals ...

- Double the number of customers by 2020 from 7.5 million to 15 million
- No.1 in Austria and no.3 in CEE by 2020

Initial successes

2013–2015

... Implementation ...

Number of customers
2011: 7.7 million
2015: 10 million

+30%

Shape the future

2016–2020

... Heading for new targets!

- 15 million customers by 2020
- Stay relevant in our customers' lives

1. Customer growth

2. Focus on core business

3. Implementation of key programmes

4. Solid capital base

5. Attractive financials

Focus on our core insurance business in UNIQA's core markets

- **UNIQA Austria:** increase profitability
- **Raiffeisen Insurance:** increase productivity
- **UNIQA International:** profitable growth
- **Risk/Return:** value-oriented management

- Strengthen equity
- Simpler group structure that facilitates financing on the stock exchange
- Re-IPO 2013

Increase earnings before taxes by up to €400 million

- **Investments:** Basler in Croatia and Serbia, EBRD shares in CEE, hospitals
- **Disinvestments:** Mannheimer Versicherung, hotels, media group

Combined ratio
2011: 104.9%
2015: 97.8%

-7.1 PP

Economic capital ratio
2011: <100%
2015: >182.2%

+80 PP

Earnings before taxes
2011: €145 million
2015: €423 million

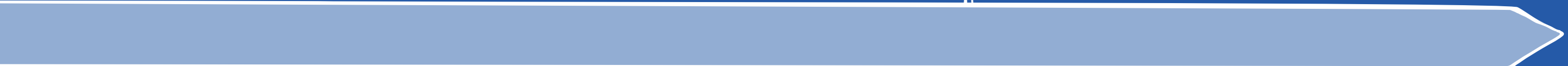
+190%

- Investing in the business model of the future
- Strengthening service and innovation culture

Focus on group-wide themes

- Safeguarding the stable capital position
- Economic equity management

- Annual increase in dividend per share
- Ø operating ROE of 13.5% for 2017–2020



2016–2020: focus and quantitative targets

OPERATIONAL EXCELLENCE

Areas of action

Turnaround – life insurance

Profitability – property and casualty insurance

Stability – health insurance

Improving process efficiency

Active capital management



INVESTMENTS IN THE FUTURE

Target operating model and IT core system

- Development and rollout of a target operating model across the group
- Renewal of the central IT platform

Digital transformation

- Short-term: first wave of digitalisation already under way
- Medium-term: paradigm shift towards “better life service provider” in the digital age



FINANCIAL GOALS

- | | |
|--|--|
| <ul style="list-style-type: none"> ◆ Premium growth 2% p.a. ◆ New business value 60 million p.a. ◆ Net cost ratio <21% by 2020 ◆ Combined ratio <95% by 2020 ◆ Capital ratio >170% | <ul style="list-style-type: none"> ◆ 113.5% Ø operating ROE ◆ Annual increase of dividends per share |
|--|--|



Our business lines and products

We believe that insurance means giving our customers the best possible protection. This is why we offer them solutions for just about any need – from private automobile insurance to commercial storm insurance.

As a composite insurer, we stand ready to assist our customers in every circumstance. The UNIQA Group offers a comprehensive range of insurance and retirement products. Our services cover property and casualty insurance, life insurance and health insurance.

Life insurance

Life insurance, in terms of premiums, is the largest insurance line in the UNIQA Group. It includes savings products such as classic and unit-linked life insurance. There are also biometric products to secure against risks such as occupational disability, nursing or death. In life insurance, we cleared €2.7 billion in premiums written across the Group in 2015; this was about 42 per cent of total premium volume.

LIFE INSURANCE – THE BASICS

Life insurance covers economic risks that stem from the uncertainty as to how long a customer will live. The insured event is the attainment of a certain point in time, or the death of the insured during the insurance period. The customer or another authorised beneficiary then receives a capital sum or an annuity. The premium is calculated on the basis of the principle of equivalence: its amount conforms to the type of insurance, age at the time the contract was signed, the policy term and the duration of premium payments.

LONG-TERM INVESTMENT WITH RISING DEMAND

The life insurance business model is oriented towards the long term: policy terms are around 25 years on average. For our investors, this means stable income over a longer period of time. Life insurance is showing great growth potential in the CEE region because the constantly improving standard of living is leading to an increase in demand for additional insurance products here as well. While the focus early on in many of these markets was on the motor vehicle insurance business, now more and more savings and investment products are being offered in the form of life insurance.

In Central Europe, the conventional life insurance model is currently facing major challenges. Historically low yield levels are adversely affecting all long-term forms of saving and investment, including life insurance. To meet the requirements of Solvency II, policies with guaranteed interest rates will require relatively high levels of equity. In addition, the conventional life insurance model is increasingly coming under criticism from consumer protection agencies.

We were the first insurance company in Austria to respond to these developments. In December 2014, UNIQA Austria and Raiffeisen Versicherung AG introduced a new model for classic life insurance to the market. It is flexible and transparent, and the costs are distributed fairly. The product does away with the discount rate but offers a 100-per-cent capital guarantee on net premiums and high repurchase values from the beginning.

This new life insurance brings customer needs, the requirements of the capital market and of the regulatory environment, down to one common denominator. From the beginning, customers receive a significantly higher savings premium because costs and fees are taken from earnings. This means that the full premium flows into the investment. For UNIQA, this new model requires lower capital backing, and capital requirements decrease, depending on the policy term and interest level.

Property and casualty insurance

In terms of premiums, property and casualty insurance is the second-largest insurance line in the UNIQA Group, just behind life insurance. This insurance line includes property insurance for private persons and companies, as well as private casualty insurance. In property and casualty insurance, we cleared €2.6 billion in premiums across the Group in 2015; this was also about 42 per cent of total premium volume.

PROPERTY AND CASUALTY INSURANCE – THE BASICS

With insurance against loss or damage, UNIQA provides a financial compensation in the event of a claim. Examples of property insurance are fire insurance, comprehensive motor vehicle insurance and liability insurance. The principle of specific fulfilment of demand applies here: the insurance benefit is determined by the insured sum, the insured value and the amount of the claim. In contrast, casualty insurance is a fixed-sum insurance product: the insurance benefit is set to a precise amount in advance.

The largest share by far in the volume of property and casualty insurance comes from consumer business. Most property and casualty insurance policies are taken out for a short term, usually of up to three years. Broad distribution across a great many customers and the relatively short duration of these products keep the capital requirements moderate, making this field of business attractive.

PROFITABILITY INCREASED AND COMBINED RATIO LOWERED

An important quantity for property and casualty insurance is the combined ratio: the relationship between the sum of insurance benefits and operating expenses on the one hand, and the premiums on the other. The lower this number is, the more profitable our business. Since the launch of our UNIQA 2.0 strategic programme, we have been working constantly on strengthening our operational profitability. We can see how successful our efforts have been in the improvement of the combined ratio, which we have been able to reduce every year since 2011. In 2015, we already reached a combined ratio after reinsurance of 97.8 per cent for the Group, after 99.6 per cent in 2014, 99.8 per cent in 2013, 101.3 per cent in 2012 and 104.9 per cent in 2011.

Health insurance

Health insurance, in terms of premiums, is the third-largest insurance line in the UNIQA Group. It includes voluntary health insurance for private customers, commercial preventive healthcare and opt-out offers for certain independent contractors such as lawyers, architects, and chemists. In health insurance, we cleared just under €1.0 billion in premiums across the Group in 2015; this was about 16 per cent of total premium volume. We are the undisputed market leader in this line of insurance in Austria, with a 47 per cent market share. About 92 per cent of premiums come from Austria, with the remaining 8 per cent coming from international business.

HEALTH INSURANCE – THE BASICS

Private health insurance is a property/casualty insurance product. In Austria, however, it is calculated “as a type of life insurance”. This simply means that assurance cover is built up at the beginning of the policy term to finance benefits as they increase with age. Terminations by the insurer are not possible in health insurance. Because cost structures change over time, premiums are continuously adjusted.

About one-fifth of health insurance benefits go to stationary care (for example, premium category), around one-fifth to out-patient care and fixed-sum insurance products such as daily benefits for hospital stays. In Austria, the UNIQA Group also operates private hospitals through the PremiQaMed Group, which is a wholly owned subsidiary of UNIQA Österreich Versicherungen AG.

STABLE LONG-TERM BUSINESS MODEL

Health insurance is characterised by stable contributions to earnings, long-term contracts, and a positive growth outlook. Premiums rise in harmony with the development of health costs and life expectancy. Because health insurance provisions are not transferrable in the event of a withdrawal, the rate of cancellations in this line is low. Health insurance, unlike property insurance, is scarcely influenced by elemental events. However, the current low interest rate environment in Europe also poses a challenge to this line of insurance.

Our employees and partners – serving our customers

We have around 21,200 employees and exclusive sales partners, all of whom work hard together as a team to ensure our strategic objectives are attained. Their commitment is a major contributing factor to the success of the UNIQA Group. This is why UNIQA promotes their professional development and tries to offer them the best possible working conditions.

The UNIQA team – a pillar of success

In 2015, the UNIQA Group had approximately 14,000 salaried employees, of whom 6,400 were based in Austria. They all share a common goal: like a family, we are dedicated to helping our customers so that they can enjoy life-long security and plan their lives with confidence. Our employees focus on the needs of customers and strive daily to deliver the high level of quality and service to which we aspire. In recognition of their performance, employees are remunerated at market rates. They also have access to voluntary social benefits, such as special employee terms for insurance, a range of benefits linked to the promotion of employee health and an occupational retirement pension plan in Austria. Annual bonuses are paid to managers and key employees, depending on the performance of the Group and their attainment of individual objectives. We still involve all the other employees in Austria, for whom there are no bonus agreements, in the Company's financial success. We are paying out around €2.7 million under our profit-sharing scheme for the 2015 financial year.

STRIVING FOR EXCELLENCE

We are constantly strengthening the skills of our employees with new training formats and additional training days. This starts with our youngest employees. In 2015, UNIQA again hired 13 new apprentices, which brings the number of apprentices-in-training to 30. An equally high-potential target group are high school graduates, who already make up about 10 per cent of new hires. In specially developed courses of study, they learn about the demands of the insurance business from an inside perspective.

Another important component in carrying out our strategic objectives is the provision of customised training and development programmes for managers. In 2015, we continued to implement INSPIRE, our company-wide leadership development programme: a total of 126 managers will have taken part by April 2016. 360-degree feedback has been introduced to track top management performance throughout the Group. This enables the identification of strengths, learning opportunities and blind spots, and also strengthens the company's culture of providing feedback.

DIVERSITY AND NON-DISCRIMINATION

We believe that the diversity of our team is an important cornerstone to the success of the UNIQA Group. People from over 32 different countries work at our Vienna corporate head office alone. We actively promote knowledge transfer and mobility between the countries in which we operate. With this in mind, for example, we offer the opportunity for international job rotation.

We owe our market success to our employees and sales partners. We are all UNIQA, and we all work together for the good of our customers.

Just under half of the employees in the UNIQA Group are women. The proportion of women on Management Boards and in senior management positions is 20 per cent throughout the Group as a whole and 29 per cent in UNIQA International. In order to increase these proportions, recruitment processes give preference to women where they have the same skills and qualifications.

WORK-LIFE BALANCE AND SOCIAL RESPONSIBILITY

We promote a work-life balance. A flexible, needs-based range of childcare options provides assistance for working parents. In Austria, UNIQA has joined with KibisCare to provide a comprehensive childcare service. We also offer flexible working time models and enable employees to use teleworking arrangements. In 2015, 21 per cent of administrative employees in Austria made use of part-time working and 11 per cent opted for teleworking. To ensure psychological health among our employees, our burnout prevention programme offers training for managers and employees. The evaluation of psychological stress in the workplace – which is mandatory in Austria – has already been completed for 60 per cent of our employees. It showed that social support, and by extension team spirit, are very important at UNIQA. This promotes unity as well as enhancing vitality and enjoyment of life.

The “UNIQA Freiraum” service portal offers employees a range of opportunities related to health, sports, nutrition, recreation and the arts. Additionally, there is a wide range of opportunities available at the UNIQA Sports Club, including running, bowling and squash.

Social responsibility also forms a part of our corporate culture. We encourage our employees to give something back to society and to get involved in helping those in need. Since 2013, we have therefore been offering the UNIQA Social Responsibility Day in Austria. Each employee at the corporate head office is given one

working day off each year, which they can use to help a charitable institution of their choosing. For those employees who used their social day to help with the refugee crisis, UNIQA increased their allocation to two days in 2015.

UNIQA sales – close to the customer at all times

In our sales operations, we focus on being close to the customer and offering a personal service. A crucial foundation for our success up until now is our countrywide sales network in Austria as well as in Central and Eastern Europe. In order to meet all the needs of our customers in an age of increasing digitalisation and to inspire them with our first-class products and services, we will gradually be expanding our offerings in this area over the coming years.

DIGITALISATION – CHALLENGE AND OPPORTUNITY

Digitalisation continues to develop apace, and our relationship to customers, and therefore sales, will change over the long term. The aim must be for our products to be equally available to all customers through all sales channels. The customer must always be the focus when setting up various sales options, whether it be electronically, by telephone or through personal contact. With our multi-channel strategy, we already cover a variety of customer needs. We make use of all sales channels likely to produce successful results, including exclusive sales, insurance brokers, banks and direct marketing. To do this, we follow an integrative approach.

STRONG EXCLUSIVE SALES AS A FOUNDATION FOR SUCCESS

A total of 35 per cent of the premiums generated by the UNIQA Group come from exclusive sales by our own employees and general agencies. In Austria, this sales channel is responsible for almost half of the premiums. Approximately 1,700 field sales employees are in direct contact with customers locally. We support 320 general agencies as independent UNIQA partners with their market presence.

SERVICE FOR INSURANCE BROKERS

The second cornerstone of our sales operations is the broker sector. Brokers contribute significantly to the success of the UNIQA Group by generating about 30 per cent of premiums, amounting to about €900 million in Austria and over €1 billion in international business. The excellent level of collaboration with our partners in this area has made us number one in brokered sales in Austria. In the CEE region, sales through this channel even account for as much business as exclusive sales.

UNIQA has an especially close relationship with its 950 TopPartners. These brokers profit from personal support provided locally. UNIQA has created a special continuing education offer that is unique in Austria: our MaklerAkademie. Along with technical insurance training for young employees and staff from brokers' offices, this academy also offers special seminars on personal development. About 200 brokers and their employees took advantage of this offer in 2015. Brokers also receive support by means of a 24-hour emergency line and training sessions that UNIQA VitalCoaches provide to brokers' offices.

COMPREHENSIVE BANKING NETWORK IN THE REGIONS

The banking sales channel supplements the UNIQA Group's extensive local presence. Across the entire Group, 27 per cent of premiums are generated through this sales channel. The strategic partnership with the Raiffeisen Banking Group in Austria and the CEE region provides us with access to almost 17 million potential customers. In Italy, we have a successful cooperation arrangement with the Veneto Banca Group for the sale of life insurance. We are thus maintaining a regional focus on northern Italy.

INTEGRATED DIRECT MARKETING IS GROWING

We currently earn about 5 per cent of premiums through integrated direct marketing. Online sales are becoming increasingly important, as more and more customers are using the internet to obtain information on the most suitable insurance for them. This is why the UNIQA Group in Austria now offers products from all departments online as well. For more complex products we only offer information about the product and the price; concluding the contract requires a personal meeting with an advisor. Simpler products, such as travel insurance or a simple supplementary health insurance policy, can be taken out directly online. In some CEE countries, e.g. Hungary, most vehicle insurance policies are already sold online. We also believe sales partnerships offer growth potential. In Austria, for example, we have partnerships with automobile clubs such as the ÖAMTC for accident insurance and with opticians, such as Hartlauer, for eyewear insurance. Through our UNIQA Leasing subsidiary, we offer both business customers and consumers a one-stop shop for motor vehicle leasing, insurance and registration.

Long-standing tradition ...

1811–1996

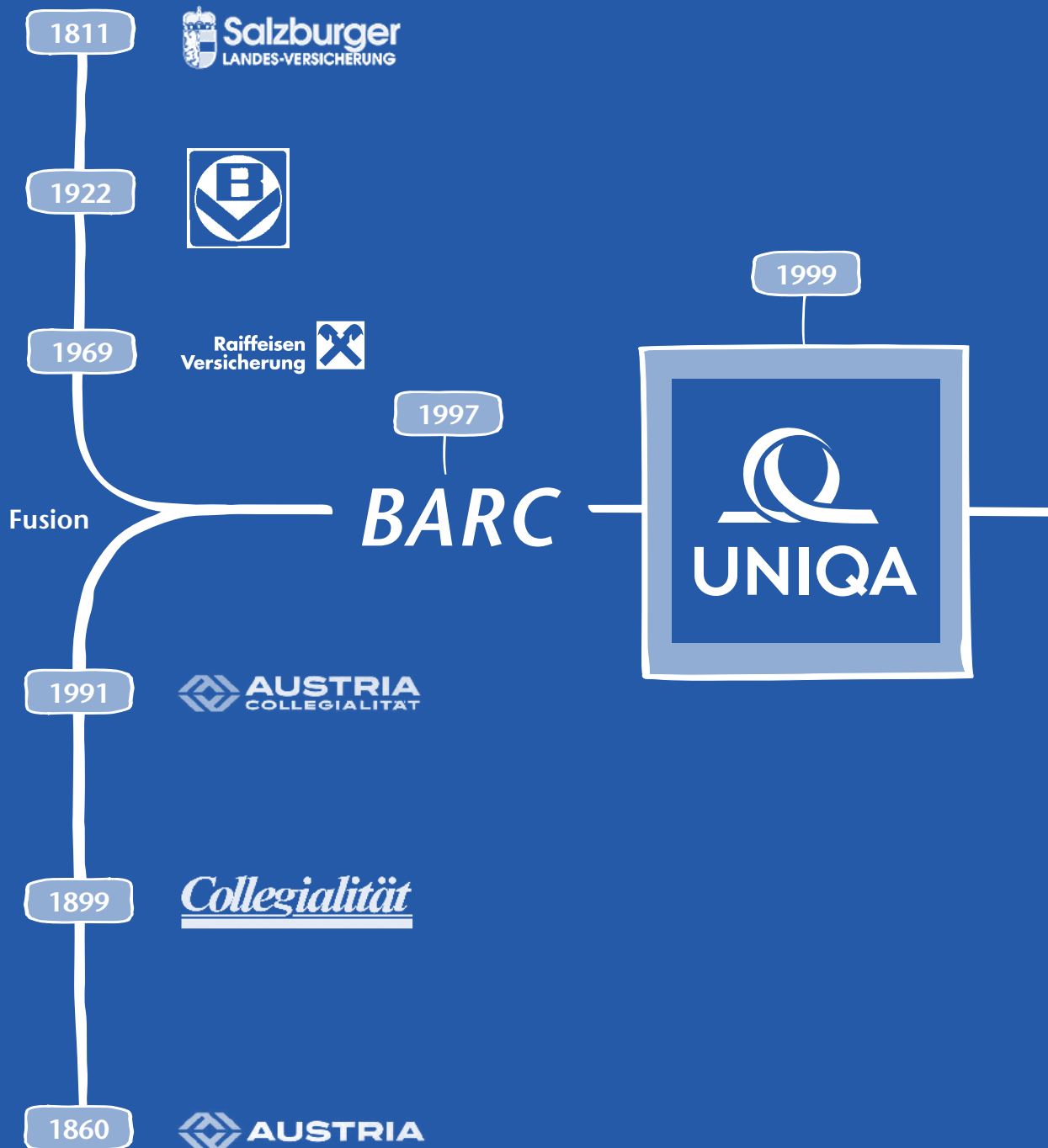
Founding and expansion

Raiffeisen: Bundesländer Insurance and Raiffeisen Insurance Austria both were merged in 1999 into what today is UNIQA. Raiffeisen is thus one of the "roots" of the company. After the re-IPO of 2013, the Raiffeisen Zentralbank Group today holds a 31.4% share in UNIQA Insurance Group AG.

Austria Collegialität: The two core shareholders, UNIQA Versicherungsverein Privatstiftung (Group) and Collegialität Versicherungsverein Privatstiftung, are tied to the predecessor of UNIQA, Austria Collegialität, which merged with Bundesländer Insurance and Raiffeisen Insurance Austria in 1997; the name was changed to UNIQA in 1999. Together, they now hold a total of 32.9% of the shares of UNIQA Insurance Group AG.

1997–2012

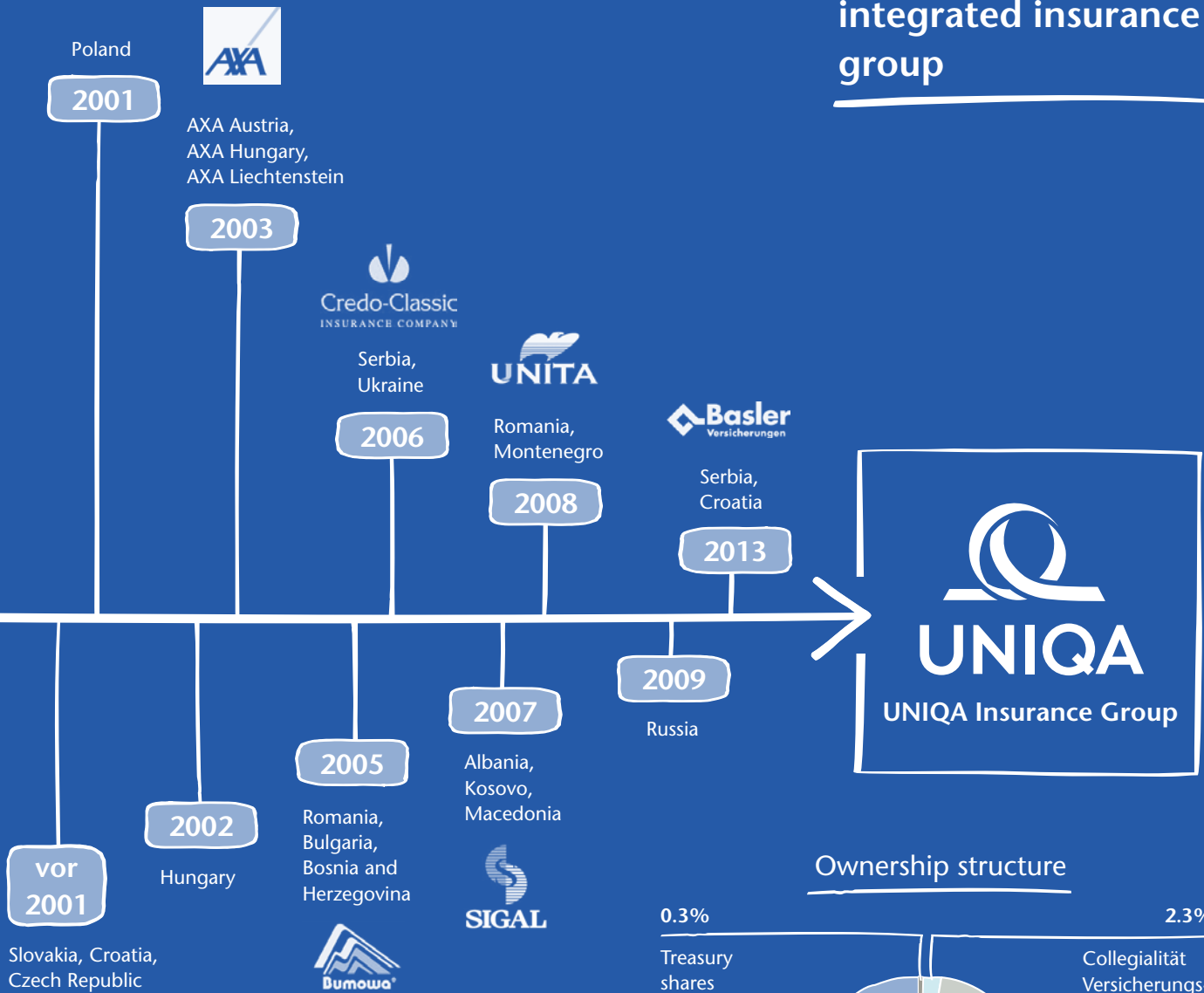
Initial consolidation in Austria and expansion in CEE



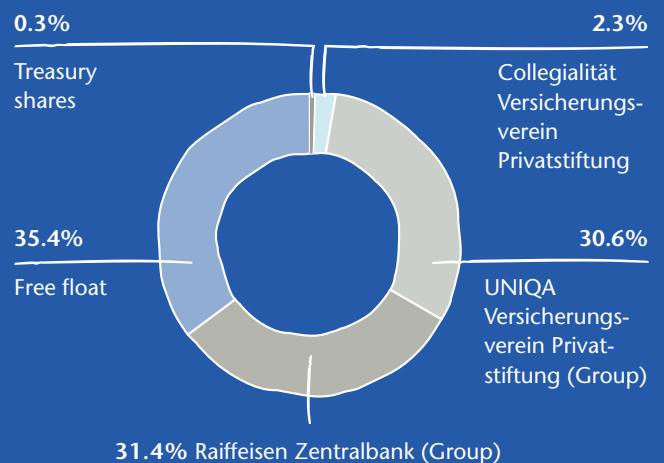
... Solid ownership structure

From 2013

Formation of an integrated insurance group



Ownership structure



Free float: in 2013 the free float increased to 35.4% due to the re-IPO. Since then, this percentage has remained unchanged. The broad spectrum of investors reflects the high international interest in the company.

Responsibility means commitment

For the UNIQA Group, economically sustainable success goes hand in hand with societal, interpersonal and environmental foresight. Our core business – providing security – is long-lasting by definition. It follows the principles of long-term thinking and action, for both people and the environment.

The task we have set for ourselves is to satisfy the interests of a variety of stakeholders – shareholders, customers, employees, society – and to reconcile those interests in the best manner possible.

Corporate Social Responsibility – the starting point

As a listed company, we are bound by the terms of the Austrian Code of Corporate Governance and have an annual review done by independent experts in order to verify compliance. In 2015, the UNIQA Group complied with all requirements set forth in the Austrian Economic Chamber's CSR Manual.

Our company standard governing day-to-day operations is the UNIQA Code of Conduct which contains guidelines for interactions with employees, customers and business partners. It also sets policies for gifts and donations as well as spare-time employment, and provides guidance with respect to non-discrimination and customer privacy. One of the cornerstones of the Code is ensuring transparency in all areas of responsibility and decision-making.

The public face of our commitment to social responsibility lies in our involvement in value-enhancing institutions and initiatives.

Commitment to society – moving people

Because our thoughts and actions are guided by sustainability, we are always on the front lines wherever the future is shaped with foresight.

Here, the fields of education and healthcare offer significant examples.

FITNESS AND SPORTS

As the largest health insurer in Austria, we care a great deal about our customers' quality of life. That is why we support, both in Austria and in the CEE countries, numerous projects regarding exercise, healthy eating and mental fitness.

We are active in everything from popular to professional sports (alpine skiing, handball, golf). Because successful athletes serve as positive role models for society at large, we work in many countries with well-known athletes as brand ambassadors – with a special focus on youth. That's why we foster the development of the next generation of professional athletes through our sponsorship of various school sports tournaments, such as the UNIQA Handball School Cup, the UNIQA Girls Football League, the UNIQA School Championships Boys (volleyball), the UNIQA School Beach Cup, bringing physical fitness into the everyday lives of children and adolescents.

Under the motto "Motivating with no Pressure", the UNIQA Grow-Up-Fit Camps ("UNIQA Fit Aufwachsen Camps") offer a fun way to strengthen health awareness among 10-to-14 year-olds and their parents. In 2015, during April and May, three of these free day-long camps were held once again in Graz, Innsbruck and Eisenstadt. Experts offered 210 children and their parents tips for a healthier lifestyle. Through its Vital4Brain initiative, UNIQA also seeks to promote exercise breaks during classroom instruction.

INDIVIDUAL AND CORPORATE HEALTH AWARENESS – FOR CUSTOMERS AND EMPLOYEES.

Using the UNIQA VitalPlan, we seek to help our customers lead healthier, more active lives with a greater sense of well-being by employing preventive services (screening, counselling by VitalCoaches, wellness stays). We reward a healthy lifestyle with a Fitness Bonus and premium refunds for unused benefits. Through UNIQA VitalBilanz, UNIQA also supports workplace health management – with a total of 120 modules available – by giving careful attention to the health and fitness of its employees. The spectrum of services ranges from equipment on the floors of the UNIQA Tower aimed at promoting motor activity to a massage service and activities at the UNIQA Sports Club, including sailing, tennis, jogging, volleyball, etc. 92 UNIQA teams participated in the 2015 Business Run at the Vienna Prater. We even foster a good work-life balance through our employee service, “UNIQA Freiraum”, consisting of exercise units and arranging for childcare as well as facilities available right in the headquarters building itself (e.g. laundry service).

EDUCATION, ART AND CULTURE

During the 2015/2016 school year, UNIQA is offering its support for the seventh time as the main sponsor of the speech contest “SAG’S MULTI” for immigrant and non-immigrant young people. We have been promoting both students and their technical advancements on behalf of people with disabilities since 2011 through the idea competition “UNIKATE”. In 2015, we again served as sponsor to the children’s opera at the Salzburg Festival, with collaboration on this project set to continue through 2017.

Commitment to people – shaping worlds

To us, social involvement also means commitment to marginalised groups. We aid and encourage participation in sports activities by

individuals with special needs, as well as many other projects aimed at offering disadvantaged people greater fulfilment.

CHARITABLE ACTIVITIES

As of 2013, employees involved in public-spirited projects can take one day off from work per year to volunteer. As part of the refugee aid programme “Refugees Welcome”, the UNIQA Group went a step further in 2015 by doubling the number of days that employees could take off: those interested in participating in refugee-related activities were allowed to take a second day off, which could be spent at the Vienna West Train Station, at a border crossing or in one of the refugee shelters for about 180 people provided by UNIQA in Vienna. In addition, both cash and in-kind donations were collected, including items such as sleeping bags (with company management matching donations one-to-one) as well as food and clothing. During 2015, we also donated 800 old employee mobile phones to charity. By recycling them, the long-term unemployed are being provided with the means of reentering the job market.

On the International Day of the Girl Child, 11 October 2015, the UNIQA Tower was illuminated in pink to draw attention to the unequal treatment of girls around the world. In countries where UNIQA International operates, regional social welfare projects are being supported on an ongoing basis, such as the project for children with learning difficulties by the Institute Komanski Most in Montenegro.

ASSISTANCE DURING PERIODS OF TRANSITION

Many crises are temporary in nature and can impact practically anyone. In response to the global economic crisis, in the case of endowment

In the field of culture, UNIQA also provides support to museums, such as the Kunsthau Bregenz, the Lentos, the Joanneum, the Museum of Modern Art, the National Library, the Residence Gallery, the Jewish Museum of Vienna, the Arnold Schönberg Center, the Sigmund Freud Museum, and events, such as the CEE Film Festival, while also sponsoring various international art projects.

insurance the UNIQA Group therefore provides the opportunity to apply for a release from premium payments while keeping full coverage. This TimeOut option, which involves a free deferral of premium payments for at least six months, up to a maximum of two years, starting with the fourth year of coverage, is available to the unemployed or the chronically ill, for example.

Commitment to the environment – preserving the world around us

Our contribution to securing and creating a healthy environment for future generations is diverse in character: on the one hand, we seek to set an example at our own sites, but we also take environmental and climate concerns into account in the way we shape our products and set their prices.

DESIGNING INSURANCE PRODUCTS WITH FORESIGHT

Upon request, we can, for instance, invest deposited premiums for unit-linked life insurance in sustainability funds. But sustainability can also be found in other products as well. Our motor vehicle insurance, Safeline, for instance, rewards environmentally-responsible driving habits. Built-in GPS devices and the Safeline app not only ensure rapid assistance in the event of an accident, they also record distances travelled.

Those who drive less can save up to 25 per cent on liability and comprehensive motor insurance. And insurance coverage for electric powered vehicles is cheaper than for gasoline or diesel-powered vehicles. UNIQA Austria offers a 25 per cent discount on motor vehicle liability coverage and currently insures 15 per cent of all electric cars in Austria. Household and homeowner insurance also includes an environmental component, which insures solar/photovoltaic systems, heat pumps and

By developing the Green Mobility programme, UNIQA has introduced twelve group-wide climate-friendly mobility criteria. Measures involved in the programme include driver training for energy-efficient driving, charging stations for electric cars, the widest possible deployment of video conferencing in place of business travel and the appointment of an internal “Climate Manager”.

pellet heating systems, etc. against hazards such as indirect lightning strikes or defective materials and workmanship. In addition, upon providing proof of the purchase of a solar water heater, heat pump, photovoltaic system or controlled ventilation system, homeowner coverage during the first three months is free of charge.

LEADING BY EXAMPLE

Internal competitions such as the Raiffeisen Sustainability Challenge help foster ideas for a healthy environment. The Climate Protection Manual offers employees information and practical tips on how they can reduce their impact on the climate through their everyday routines at home and at work. The Electricity Reduction Competition encourages employees to measure their personal electricity consumption over the course of a year. The winner is the person who saves the most power during the year. UNIQA is also promoting the use of vehicles with low CO₂ emissions or electric company cars in Austria. If employees decide to do without a car entirely, we subsidise the purchase of public transport passes.

The UNIQA Tower in Vienna meets the latest requirements for energy efficiency and climate protection. As of 2008, the Tower was the first office building in Austria and one of the first in Europe to hold the European Union’s Green-Building Certificate. It has also been awarded the Developer’s Prize, the Facility Prize and the US Green Building Council Lead. In Austria, the UNIQA Group gets 100 per cent of its electricity from suppliers with the “Green Energy” designation. The use of heat pumps decreases CO₂ emissions by 84 t/year, while 33 per cent of the power for heating and cooling is obtained from geothermal sources. A cooling ceiling installed in all floors at the UNIQA Tower provides for static and convective cooling.

UNIQA is also a founding member of the Raiffeisen Climate Protection Initiative, which has been promoting sustainable economic and social models since 2007.

UNIQA

on the capital market

UNIQA shares are listed in the prime market segment of the Vienna Stock Exchange. After the successful re-IPO in October 2013 and the resulting sharp increase in liquidity, since 2014 UNIQA shares have also been listed in Austria's leading ATX index.

The UNIQA share price dropped by around 3 per cent during the course of 2015 to €7.53, largely held back by the continuing record low yields. During the same period, Austria's leading ATX index rose by nearly 11 per cent, and the benchmark index for the European insurance sector, EURO STOXX Insurance, also gained around 20 per cent.

The economic environment continued to challenge us in 2015. However, UNIQA still managed to record the best earnings before taxes in its history. Based on this fact, it will be proposed at the Annual General Meeting to increase the dividend to 47 cents per share.

UNIQA SHARES – KEY FIGURES

In €	2015	2014	2013	2012	2011
UNIQA share price as at 31 December	7.53	7.78	9.28	9.86	9.42
High	9.41	10.02	11.14	13.40	16.50
Low	7.04	7.34	8.12	8.75	9.00
Average daily turnover (in € million)	4.5	3.2	1.5	0.1	0.1
Market capitalisation as at 31 December (in € million)	2,326.8	2,404.0	2,867.5	2,112.5	1,346.9
Earnings per share	1.07	0.94	1.21	0.75	-1.73
Dividend per share	0.47 ¹⁾	0.42	0.35	0.25	0

¹⁾ Proposal to the Annual General Meeting

Shareholder structure remained unchanged

The shareholder structure of UNIQA remained unchanged again in 2015. The free float amounted to 35.4 per cent, more than one third of the total number of shares. At the end of 2015, market capitalisation based on the free float therefore amounted to approximately €824 million. Raiffeisen Zentralbank (Group) continues to hold 31.4 per cent (BL Syndikat Beteiligungs-Gesellschaft m.b.H. 22.8 per cent, RZB Versicherungs-beteiligung GmbH 8.6 per cent) as a core shareholder. The core shareholder UNIQA Versicherungsverein Privatstiftung (Group) continues to hold 30.6 per cent (Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH 23.7 per cent, UNIQA Versicherungsverein Privatstiftung 6.9 per cent) and the core

shareholder Collegialität Versicherungsverein Privatstiftung still holds 2.3 per cent of UNIQA. The portfolio of treasury shares remained unchanged at 0.3 per cent.

UNIQA's share performance in detail

After opening the year at €7.83 on 2 January 2015, UNIQA shares reached their low for the year of €7.04 already on 28 January 2015. In the subsequent months though the price bounced back, and on 22 May 2015 reached a high for the year of €9.41. After this, the price fluctuated for some time in the €8 to €9 range, before falling back below €8 in the autumn. At the end of 2015, UNIQA shares stood at €7.53. The UNIQA share price also fell in the first weeks of 2016 in sync with the general decline

in insurance share values across Europe and at 11 February stood at just €5.04. On 18 March 2016, the share price was back at the €6.50 mark.

Dividend distribution

One of our concerns is to make sure that the shareholders in UNIQA participate in the success of the business to an appropriate extent. We have been targeting a dividend distribution for 2015 ranging between 40 and 50 per cent of the consolidated profit. On the basis of the separate financial statements of

CURRENTLY, THE FOLLOWING INVESTMENT BANKS REGULARLY PUBLISH RESEARCH REPORTS ON UNIQA SHARES:

- Berenberg Bank
- Deutsche Bank
- Erste Group Bank
- J.P. Morgan
- Raiffeisen Centrobank
- UBS

UNIQA Insurance Group AG, the Management Board will therefore propose to the Annual General Meeting the payment of a dividend of 47 cents per dividend-bearing share for the 2015 financial year. This means a dividend payment of €145 million, or 44 per cent of consolidated profit.

Despite planned investments of around €500 million over the next ten years and the challenges associated with low interest rates, UNIQA plans to continuously increase annual dividend payments per share over the coming years as part of a progressive dividend policy.

In dialogue with analysts and investors

We attach the utmost importance to providing our shareholders as well as the entire financial community with regular, comprehensive, up-to-date information about the ongoing performance of the Company. In this regard, the UNIQA management team was again available in 2015 to answer the questions of investors and analysts at numerous roadshows and banking conferences and also held a large number of one-on-one meetings during the year. The first UNIQA capital markets day took place in London on 14 March 2016 and attracted more than 30 participants. All reports and corporate information can be accessed online at www.uniqa-group.com. In addition, our investor relations team is happy to answer individual questions via investor.relations@uniqa.at.

UNIQA SHARES – INFORMATION

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

FINANCIAL CALENDAR 2016

20 May 2016	Record Date for the Annual General Meeting
26 May 2016	First Quarter Report 2016
30 May 2016	Annual General Meeting
9 June 2016	Ex-dividend Date
10 June 2016	Dividend Record Date
13 June 2016	Dividend Payment Date
25 August 2016	Half-Year Financial Report 2016
24 November 2016	First to Third Quarter Report 2016

Corporate Governance Report

Since 2004, the UNIQA Group has pledged to comply with the Austrian Code of Corporate Governance and publishes the declaration of conformity both in the Group annual report and on the Group website at www.uniqagroup.com in the Investor Relations section. The Austrian Code of Corporate Governance is also publicly available at www.corporate-governance.at.

Implementation and compliance with the individual rules in the Code are evaluated annually by PwC Wirtschaftsprüfung GmbH – with the exception of Rules 77 to 83. Rules 77 to 83 of the Code are evaluated by the law firm Schönherr Rechtsanwälte GmbH. The evaluation is carried out largely using the questionnaire for the evaluation of compliance with the Code published by the Austrian Working Group for Corporate Governance (as amended January 2015). 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.

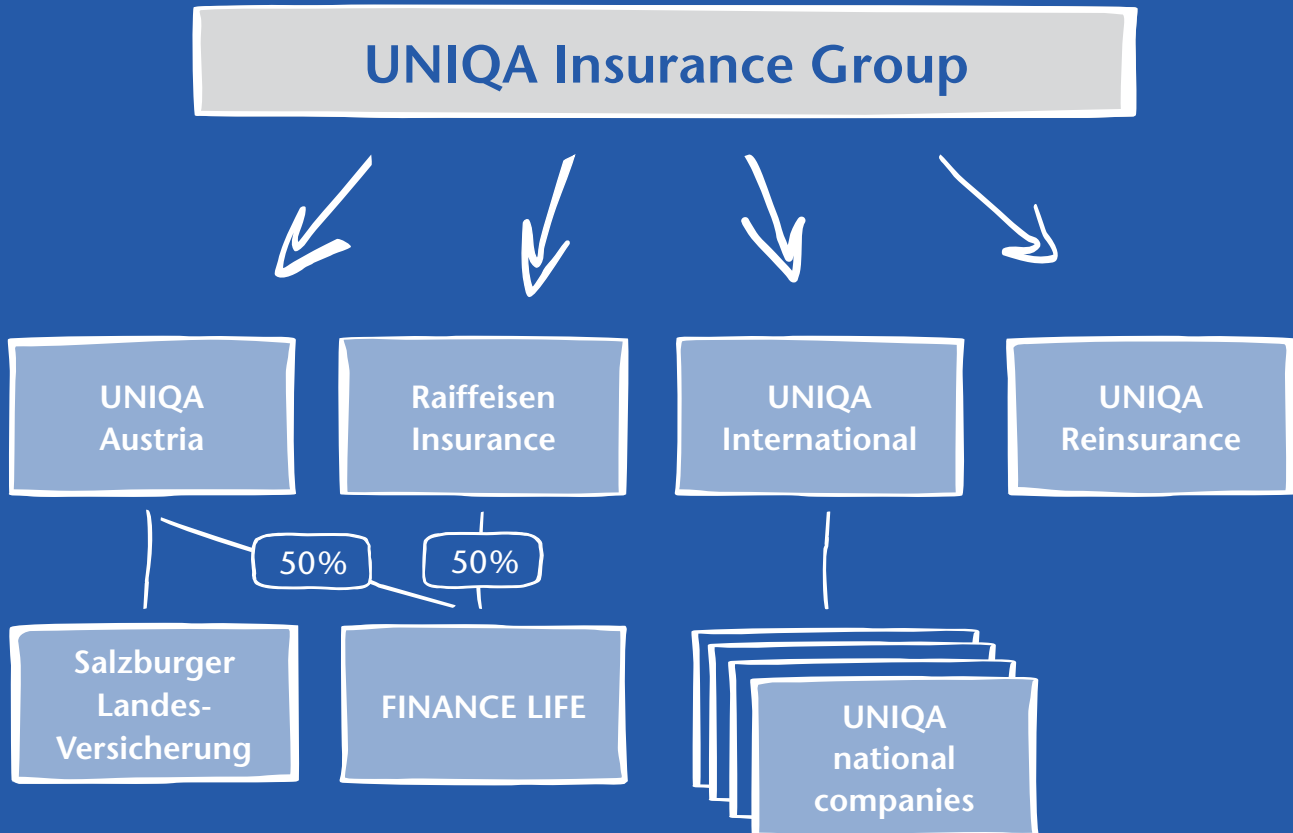
UNIQA also declares its continued willingness to comply with the Austrian Code of Corporate Governance as currently amended. However, UNIQA deviates from the provisions of the Code as amended with regard to the following C rules (comply or explain rules) and the explanations are set out below.

RULE 49

Due to the growth of UNIQA's shareholder structure and the special nature of the insurance business with regard to the investment of insurance assets, there are a number of contracts with individual members of the Supervisory Boards of related companies, 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), 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.

Structural integration of all risk carriers in Austria

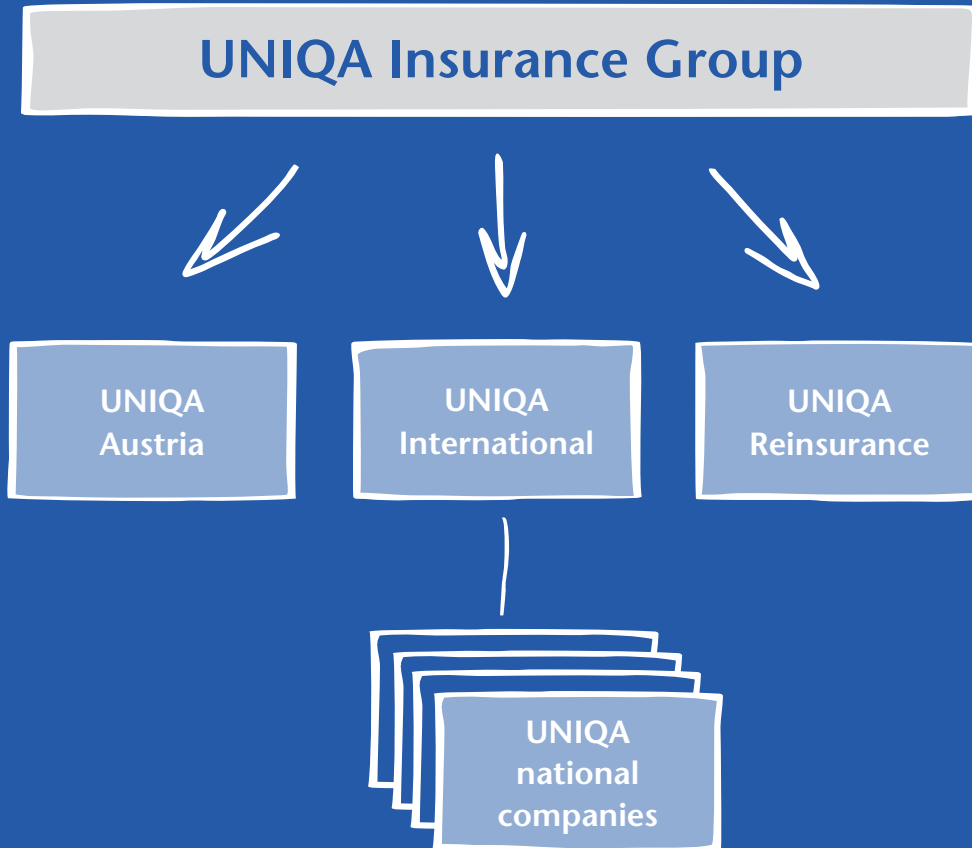
Current structure of UNIQA Group



- UNIQA Insurance Group AG as holding company of the group
- **Four** risk carriers in Austria
- UNIQA International AG with **regional Management Board**



Planned structure from 2017



- UNIQA Insurance Group AG as streamlined holding company with **functional group management**
- One **risk carrier** in Austria
- UNIQA International AG focuses on **functional management**

Composition of the Management Board

CHAIRMAN

Andreas Brandstetter,
Chief Executive Officer (CEO)

*1969, appointed 1 January 2002 until 31 December 2016

Responsible for:

- Investor relations
- Group Communication
- Group Marketing
- Group Human Resources
- Group Internal Audit
- Group General Secretary

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the consolidated financial statements

- Member of the Supervisory Board of Raiffeisen Zentralbank Österreich Aktiengesellschaft, Vienna (until 27 June 2015)
- Member of the Board of Directors of SCOR SE, Paris (until 30 April 2015)

Number of UNIQA shares held as at 31 December 2015: 21,819 shares

MEMBERS

Hannes Bogner,
Chief Investment Officer (CIO)

*1959, appointed 1 January 1998 until 31 December 2016

Responsible for:

- Group Asset Management
- Legal & Compliance
- Group Internal Audit

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the consolidated financial statements

- Member of the Supervisory Board of Casinos Austria Aktiengesellschaft, Vienna
- Member of the Supervisory Board of CEESEG Aktiengesellschaft, Vienna
- Member of the Supervisory Board of Niederösterreichische Versicherung AG, St. Pölten
- Member of the Supervisory Board of Wiener Börse AG, Vienna

Number of UNIQA shares held as at 31 December 2015: 7,341 shares

Wolfgang Kindl

*1966, appointed 1 July 2011 until 31 December 2016

Responsible for:

- UNIQA International

Number of UNIQA shares held as at 31 December 2015: 7,341 shares

Thomas Münkler,
Chief Operating Officer (COO)

*1959, appointed 1 January 2013 until 31 December 2016

Responsible for:

- Group Operations
- Group IT
- Group Project Office

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the consolidated financial statements

- Member of the Supervisory Board of Raiffeisen Informatik GmbH, Vienna

Number of UNIQA shares held as at 31 December 2015: 7,341 shares

Kurt Svoboda,
Chief Financial and Risk Officer (CFO/CRO)

*1967, appointed 1 July 2011 until 31 December 2016

Responsible for:

- Group Finance – Accounting
- Group Finance – Controlling
- Group Actuarial and Risk Management
- Group Reinsurance
- Regulatory Affairs

Number of UNIQA shares held as at 31 December 2015: 7,990 shares

The work of the Management Board

The work of the members of the Management Board is regulated by the rules of procedure. The division of the business responsibility as decided by the entire Management 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 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 Board of UNIQA Insurance Group AG are attended by the CEOs of UNIQA Österreich Versicherungen AG and Raiffeisen Versicherung AG – Hartwig Löger and Klaus Pekarek respectively – with an advisory vote. The resulting body is known as the Group Executive Board.

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.

Members of the Supervisory Board

CHAIRMAN

Walter Rothensteiner

*1953, appointed 3 July 1995 until the 20th AGM (2019)

Supervisory Board appointments in domestic and foreign listed companies

- Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna

FIRST VICE CHAIRMAN

Christian Kuhn

*1954, appointed 15 May 2006 until the 20th AGM (2019)

SECOND VICE CHAIRMAN

Erwin Hameseder

*1956, appointed 21 May 2007 until the 20th AGM (2019)

Supervisory Board appointments in domestic and foreign listed companies

- Chairman of the Supervisory Board of AGRANA Beteiligungs-Aktiengesellschaft, Vienna
- Vice Chairman of the Supervisory Board of STRABAG SE, Villach
- First Vice Chairman of the Supervisory Board of Flughafen Wien Aktiengesellschaft, Vienna Airport
- First Vice Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna
- Second Vice Chairman of the Supervisory Board of Südzucker AG, Mannheim

THIRD VICE CHAIRMAN**Eduard Lechner**

*1956, appointed 25 May 2009 until the 20th AGM (2019)

MEMBERS**Markus Andréewitch**

*1955, appointed 26 May 2014 until the 20th AGM (2019)

Ernst Burger

*1948, appointed 25 May 2009 until the 20th AGM (2019)

Supervisory Board appointments in domestic and foreign listed companies

- Vice Chairman of the Supervisory Board of Josef Manner & Comp. Aktiengesellschaft, Vienna

Peter Gauper

*1962, appointed 29 May 2012 until the 20th AGM (2019)

Johannes Schuster

*1970, appointed 29 May 2012 until the 20th AGM (2019)

Supervisory Board appointments in domestic and foreign listed companies

- Member of the Supervisory Board of Raiffeisen International AG, Vienna

Kory Sorenson

*1968, appointed 26 May 2014 until the 20th AGM (2019)

Supervisory Board appointments in domestic and foreign listed companies

- Member of the Board of Directors of SCOR SE, Paris
- Member of the Board of Directors of Phoenix Group Holdings, Cayman Islands
- Member of the Board of Directors of Pernod Ricard, Paris

DELEGATED BY THE CENTRAL WORKS COUNCIL**Johann-Anton Auer**

*1954, since 18 February 2008

Number of UNIQA shares held as at 31 December 2015: 10,106 shares

Peter Gattinger

*1976, from 10 April 2013 until 26 May 2015

Heinrich Kames

*1962, since 10 April 2013

Number of UNIQA shares held as at 31 December 2015: 56 shares

Harald Kindermann

*1969, since 26 May 2015

Number of UNIQA shares held as at 31 December 2015: 750 shares

Franz-Michael Koller

*1956, since 17 September 1999

Number of UNIQA shares held as at 31 December 2015: 912 shares

Friedrich Lehner

*1952, from 31 May 2000 to 1 September 2008 and since 15 April 2009

Number of UNIQA shares held as at 31 December 2015: 912 shares

The Supervisory Board of UNIQA Insurance Group AG held six meetings in 2015.

Committees of the Supervisory Board

COMMITTEE FOR BOARD AFFAIRS

Chairman

- Walter Rothensteiner

Vice Chairman

- Christian Kuhn

Members

- Erwin Hameseder
- Eduard Lechner

WORKING COMMITTEE

Chairman

- Walter Rothensteiner

Vice Chairman

- Christian Kuhn

Members

- Erwin Hameseder
- Ernst Burger
- Eduard Lechner
- Johannes Schuster

Delegated by the Central Works Council

- Johann-Anton Auer
- Heinrich Kames
- Franz-Michael Koller

AUDIT COMMITTEE

Chairman

- Walter Rothensteiner

Vice Chairman

- Christian Kuhn

Members

- Erwin Hameseder
- Eduard Lechner
- Kory Sorenson

Delegated by the Central Works Council

- Johann-Anton Auer
- Heinrich Kames
- Franz-Michael Koller

INVESTMENT COMMITTEE

Chairman

- Erwin Hameseder

Vice Chairman

- Christian Kuhn

Members

- Eduard Lechner
- Peter Gauper
- Kory Sorenson

Delegated by the Central Works Council

- Johann-Anton Auer
- Heinrich Kames
- Franz-Michael Koller

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 made up of nine shareholder representatives.

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. The Committee for Board Affairs dealt with legal employment formalities concerning the members of the Management Board and with questions relating to remuneration policy and succession planning at its two meetings in 2015.

The Working Committee of the Supervisory Board is called upon to make decisions only 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 decisions 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 2015. It made one decision 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 auditor of the (consolidated) financial statements. The meetings discussed all the documents relating to the financial statements, the Corporate Governance Report and the appropriation of profit proposed by the Management Board. Furthermore, the audit of the 2015 financial statements of the companies of the consolidated group was planned and the auditor reported on the results of preliminary audits. In particular, the Audit Committee was provided on a quarterly basis with the reports of the Internal Auditing department concerning audit areas and material findings based on the audits conducted.

Finally, 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 at which the members discussed the capital investment strategy, questions concerning capital structure and the focus of risk and asset liability management.

The various chairmen of the committees informed the members of the Supervisory Board about the meetings and the work of the

respective committees. 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.

Independence of the Supervisory Board

All elected members of the Supervisory Board have declared their independence under Rule 53 of the Austrian Code of Corporate Governance. Kory Sorenson satisfies the criteria in Rule 54 for companies with a free float of more than 20 per cent.

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 interests and is therefore capable of influencing the behaviour of the member concerned.

UNIQA has established the following points as 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 managing employee 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 should 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 our 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 descendants, spouses, life partners, parents, uncles, aunts, siblings, nieces, nephews) 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

UNIQA is convinced that a high degree of diversity in the Group can enhance its success on a sustainable basis. Diversity at management levels has a positive impact on the corporate culture. UNIQA defines diversity as different nationalities, cultures and a collective of men and women. This diversity also reflects the make-up of our customers in Austria and in 18 other European countries, and helps us to understand them better in order to offer suitable products and services. People from more than 32 different countries are employed by UNIQA at the Vienna corporate head office alone.

Over the course of 2015, the proportion of women on Management Boards and in senior executive positions throughout the Group rose to 20 per cent. The equivalent figure at an international level was 29 per cent – this represents a 4 per cent increase compared with the previous year.

The fact that the shareholder representative on our Supervisory Board Kory Sorenson was selected as one of the 100 most influential women in the insurance industry by a British professional magazine is particularly encouraging.

Enabling employees to achieve a work-life balance and providing them with straightforward access to services that make everyday life easier, especially for mothers, are key factors in promoting women. UNIQA has created a comprehensive range of services known as “Freiraum” (Latitude) that addresses these needs. In conjunction with an external partner (KibisCare), this range of services includes a comprehensive childcare service even on “bridging days” (between a public holiday and the weekend), an advisory and agency service for childcare, private tuition, as well as a broad range of health and sports activities. Advice and support with caring for family members has also been offered since 2015 as part of the “Elder Care” scheme.

UNIQA also supports flexible working hours and offers the option of teleworking. In 2015, 23 per cent of the administrative employees in Austria made use of part-time working while 11 per cent opted for teleworking.

In terms of professional development for managers, UNIQA believes that the most promising approach is to undertake joint development activities for both women and men. Cooperation between men and women then becomes a matter of course and also works much better on a day-to-day basis. The “INSPIRE” management development programme, which has been running since 2013, aims to put this joint development approach into practice: it brings together managers from all the markets in the UNIQA Group; a quarter of the participants are women. From a recruitment perspective, however, UNIQA exercises positive discrimination, giving preference to female applicants where they have the same skills and qualifications.

Remuneration Report

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The members of the Management Board receive their remuneration exclusively from UNIQA Insurance Group AG, the Group holding company.

In € thousand	2015	2014
The expenses attributable to the financial year in question for the remuneration of the members of the Management Board amounted to:		
Fixed remuneration ¹⁾	2,469	2,468
Variable remuneration	1,029	2,242
Current remuneration	3,498	4,710
Termination benefit entitlements	0	0
Total	3,498	4,710
of which proportionately recharged to operating subsidiaries:	2,157	2,173
Former members of the Management Board and their surviving dependants received:	2,751	2,706

¹⁾ The fixed salary components included remuneration in kind equivalent to € 86,661 (2014: € 85,463).

The breakdown of the total Management Board remuneration among the individual members of the Management Board was as follows:

Name of Mgt. Board member In € thousand	Fixed remuneration	Variable remuneration (STI) ¹⁾	Multi-year share-based remuneration (LTI) ²⁾	Total current remuneration	Termination benefit entitlements	Total for the year
Andreas Brandstetter	609	250	0	859	0	859
Hannes Bogner	459	195	0	653	0	653
Wolfgang Kindl	459	190	0	649	0	649
Thomas Münkel	485	204	0	689	0	689
Kurt Svoboda	458	190	0	648	0	648
Total 2015	2,469	1,029	0	3,498	0	3,498
Total 2014	2,468	2,242	0	4,710	0	4,710

¹⁾ The Short-Term Incentive (STI) includes the variable remuneration for the 2014 financial year, paid out in 2015.

²⁾ The Long-Term Incentive (LTI) corresponds with a share-based remuneration agreement that was introduced in 2013 for the first time, with the beneficiary entitled to receive a cash settlement following a 4-year term. Details can be found in the Notes to the Consolidated Financial Statements.

In 2016, it is expected that the members of the Management Board of the UNIQA Insurance Group AG will be paid a variable remuneration (STI) in the amount of €1.9 million for the 2015 financial year.

In addition to the remuneration listed above, the following pension fund contributions were

paid in the financial year for the existing pension commitments to the members of the Management Board. The compensation payments arise if a member of the Management Board steps down before the age of 65 because pension entitlements are generally funded in full until the age of 65.

PENSION FUNDS CONTRIBUTIONS

In € thousand	Regular contributions	Compensation payments	Total for the year
Andreas Brandstetter	84	0	84
Hannes Bogner	128	0	128
Wolfgang Kindl	119	0	119
Thomas Münkel	245	0	245
Kurt Svoboda	105	0	105
Total 2015	681	0	681
Total 2014	681	0	681

The remuneration paid to the members of the Supervisory Board for their work in the 2014 financial year was €443,750. Provisions of €425,000 have been set aside for the

remuneration to be paid for this work in 2015. A total of €49,100 was paid out in 2015 to cover attendance fees and out-of-pocket expenses (2014: €32,700).

In € thousand	2015	2014
Current financial year (provision)	425	444
Attendance fees	49	33
Total	474	476

The breakdown of the total remuneration (including attendance fees) paid to the individual

members of the Supervisory Board was as follows:

Name of Supervisory Board member	Remuneration 2015	Remuneration 2014
Walter Rothensteiner	74	72
Christian Kuhn	65	61
Georg Winckler	0	24
Erwin Hameseder	65	62
Eduard Lechner	65	53
Günther Reibersdorfer	0	22
Ewald Wetscherek	0	20
Markus Andréewitch	33	20
Ernst Burger	37	35
Peter Gauper	39	35
Johannes Schuster	37	35
Kory Sorenson	43	27
Payments to employee representatives	17	12
Total	474	476

Former members of the Supervisory Board did not receive any remuneration.

The disclosures in accordance with Section 239(1) of the Austrian Commercial Code in conjunction with Section 80b of the Austrian Insurance Supervisory Act, which must be included as mandatory disclosures in the notes to the financial statements for IFRS financial statements to release the Company from the requirement to prepare financial statements

in accordance with the Austrian Commercial Code, are defined more broadly for the separate financial statements in accordance with the provisions of the Austrian Commercial Code. The separate financial statements include not only the remuneration for the decision-making functions (Management Board) of UNIQA Insurance Group AG, but also the remuneration paid to the Management Boards of the subsidiaries if such remuneration is based on a contract with UNIQA Insurance Group AG.

PRINCIPLES OF PROFIT-SHARING FOR THE MANAGEMENT BOARD

A short-term incentive (STI) is offered in which a one-off payment is made based on the relevant earnings situation if the specified individual objectives for the payment of the incentive have been met. A long-term incentive (LTI) is also provided in parallel as a share-based payment arrangement with cash settlement, and this provides for one-off payments after a period of four years in each case based on virtual investments in UNIQA shares each year and the performance of UNIQA shares, the ROE and the total shareholder return over the period. Maximum limits are agreed. This LTI is subject to an obligation on the members of the Management Board to make an annual investment in UNIQA shares with a holding period of four years in each case. The system complies with Rule 27 of the Austrian Code of Corporate Governance.

PRINCIPLES AND REQUIREMENTS FOR THE COMPANY PENSION SCHEME PROVIDED FOR THE MANAGEMENT BOARD

UNIQA has agreed retirement pensions, occupational disability benefits and surviving dependants' pensions for the members of the Management Board. The beneficiaries' actual pension entitlements are a contractual arrangement with Valida Pension AG, which is responsible for managing the pensions. The retirement pension generally becomes due for payment when the beneficiary reaches 65 years of age. The pension entitlement is reduced in the event of an earlier retirement, with the pension eligible for payment once the beneficiary reaches the age of 60 at the earliest. In the case of the occupational disability pension and survivor's benefits, basic amounts are provided as a minimum pension.

The pension plan at Valida Pension AG is funded by UNIQA through ongoing contributions for the individual members of the Management Board. Compensation payments must be made

to Valida Pension AG if members of the Management Board step down before the age of 65 (imputed contribution payment duration to prevent overfunding).

PRINCIPLES FOR VESTED RIGHTS AND ENTITLEMENTS OF THE MANAGEMENT BOARD OF THE COMPANY IN THE EVENT OF TERMINATION OF THEIR POSITION

Severance payments have been agreed based on the provisions of the Austrian Salaried Employee Act. These severance payments, which are made if the employment contract of a member of the Management Board is terminated prematurely, comply with the criteria set out in Rule 27a of the Austrian Code of Corporate Governance. The member of the Management Board generally retains his or her pension entitlements if his or her function is terminated, but the entitlements are subject to curtailment rules.

SUPERVISORY BOARD REMUNERATION

The remuneration paid to the Supervisory Board is approved at the Annual General Meeting as a total amount for the work in the previous financial year. The remuneration applicable to the individual Supervisory Board members is based on their position within the Supervisory Board and the number of committee positions held.

D&O INSURANCE, POSI INSURANCE

UNIQA has taken out directors' & officers' (D&O) insurance and, in connection with the implementation of the re-IPO in 2013, public offering of securities insurance (POSI) for the members of the Management Board, Supervisory Board and senior executives. The costs are borne by UNIQA.

Risk Report, Directors' Dealings

A comprehensive Risk report (Rule 67 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 Code of Corporate Governance were evaluated by PwC Wirtschaftsprüfung GmbH for

the 2015 financial year – with the exception of Rules 77 to 83. Compliance with Rules 77 to 83 of the Code was evaluated by Schönherr Rechtsanwälte GmbH. The evaluation is carried out largely using the questionnaire for the evaluation of compliance with the Code published by the Austrian Working Group for Corporate Governance (as amended January 2015).

On completion of the evaluation, PwC Wirtschaftsprüfung GmbH and Schönherr Rechtsanwälte GmbH confirmed that UNIQA had complied with the rules of the Austrian Code of Corporate Governance in 2015 – to the extent that these rules were covered by UNIQA's declaration of conformity. Some of the rules were not applicable to UNIQA in the evaluation period.

Vienna, 18 March 2016



Andreas Brandstetter
Chairman of the
Management Board



Hannes Bogner
Member of the
Management Board



Wolfgang Kindl
Member of the
Management Board



Thomas Munkel
Member of the
Management Board



Kurt Svoboda
Member of the
Management Board

Report of the Supervisory Board

Dear Shareholders,

The year 2015 was a challenging one for the European insurance industry. Returns on European government bonds with the best credit ratings fell to record lows following the ECB's decision to implement significant bond purchases. This affects all long-term investors in secure fixed-income securities, and therefore the insurance industry as well. Despite this, in 2015 – the fourth full year of the UNIQA 2.0 strategic programme – UNIQA was able to achieve the best results in the history of the Group.

The cornerstones of the strategic programme remain unchanged: the aim is to further increase the number of customers in the two existing core markets by 2020 through UNIQA focusing on its core expertise as a direct insurer. The company is striving for the further gradual improvement in the overall technical results, an increase in economic earnings performance for the life insurance business – particularly in Austria – and careful but profitable growth in Central and Eastern Europe.

The increased digitalisation of our entire societal and economic life represents a challenge as well as an opportunity. UNIQA intends to launch a significant investment programme in 2016 in preparation for this change and in order to set a new direction for information technology in the Group as a whole. This programme is being implemented from a position of strength: as at the end of 2015 the economic capital ratio amounted to 182.2 per cent. In conjunction with the continued low level of interest rates,

however, these planned investments will result in the earnings before taxes in 2016 being well below the 2015 level from today's point of view. Nevertheless, they are absolutely necessary for the long-term stable safeguarding of the Group's profits.

ACTIVITIES OF THE SUPERVISORY BOARD

During 2015, 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 those measures requiring its approval.

The members of the Supervisory Board are regularly invited to participate in information events on relevant topics. Two special seminars were held in 2015 on the topic of "The Insurance Supervision Act 2016, the Solvency II regulations and the International Financial Reporting Standards (IFRSs)", and on "Compliance and audit under the new Solvency II regulations".

FOCUS OF THE DELIBERATIONS

The Supervisory Board met on six occasions in 2015. It also adopted two decisions by circulating a written resolution.

Discussions focused on the Group's earnings situation and its further strategic development.

At the meeting held on 5 March, the Supervisory Board mainly discussed the Group's preliminary results for 2014 and the trends in the first few weeks of the 2015 financial year.

The Supervisory Board meeting on 14 April focused on the audit of the annual financial statements and consolidated financial statements for the year ended 31 December 2014 and on the reports from the Management Board with up-to-date information on the performance of the Group in the first quarter of 2015. The Supervisory Board also discussed the agenda for the 16th Annual General Meeting held on 26 May 2015.

The meeting of the Supervisory Board held on 21 May was dedicated to a discussion of the Group's earnings situation in the first quarter of 2015.

The Supervisory Board was reconstituted in the meeting on 26 May based on the new election of all Supervisory Board members.

The Supervisory Board approved a new issue of a hybrid capital bond amounting to €500 million by circular resolution on 31 May.

On 29 July, the Supervisory Board passed the resolution by circular to sell the stake in Casinos Austria Aktiengesellschaft.

At its meeting on 10 September, the Supervisory Board discussed the Group's earnings situation in the first half of the 2015, the latest developments in the third quarter of 2015, and the forecast for the 2015 financial year. It also addressed the equity planning of the Group companies under Solvency II.

In addition to receiving reports on the results of the Group in the first three quarters of 2015 and the latest performance information for the

fourth quarter of 2015, the meeting of the Supervisory Board on 26 November held detailed discussions on the forecast for 2015. The Supervisory Board also evaluated its activities in accordance with the Austrian Code of Corporate Governance.

COMMITTEES OF THE SUPERVISORY BOARD

To facilitate the work of the Supervisory Board and to improve its efficiency, other committees have been set up in addition to the mandatory financial Audit Committee.

The **Working Committee** did not hold any meetings in the past financial year. The Working Committee approved the terms of the hybrid capital bond by way of a circular resolution on 17 July.

The **Committee for Board Affairs**, which also exercises the functions of the **Nominating and Remuneration Committee**, dealt with legal employment formalities concerning the members of the Management Board and with questions relating to remuneration strategy and succession planning at two separate meetings.

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

The **Audit Committee** held three meetings in 2015 and these meetings were also attended by the auditors of the (consolidated) financial statements. All of the documents relating to the financial statements and the appropriation of profit proposed by the Management Board were discussed at the meeting on 14 April, with the Compliance Manager's annual activity report for 2014 also submitted and acknowledged in particular. At the meeting held on 21 May, the auditor presented the planning for the audits of the 2015 financial statements prepared by the companies in the UNIQA Group and coordinated this planning and strategy with the

committee. At the meeting held on 26 November, the auditor informed the committee about the findings from its preliminary audits to date. The meeting acknowledged a report by the auditor assessing the extent to which the risk management system was fully functioning. In addition, the Audit Committee received quarterly reports from Internal Audit on the areas audited by this department and any material findings that arose from these audits.

The various chairmen of the committees informed the members of the Supervisory Board about the meetings and their committee's work.

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) – as adopted by the EU – and the Group management report for the year ended 31 December 2015 were audited by PwC Wirtschaftsprüfung GmbH, which issued an unqualified audit opinion.

The Supervisory Board noted the findings of the audit with approval.

The audit of the compliance of the Corporate Governance Report with Section 243b of the Austrian Commercial Code and the evaluation of UNIQA's compliance with the rules of the Austrian Code of Corporate Governance (with the exception of Rules 77 to 83) in the 2015 financial year was carried out by PwC Wirtschaftsprüfung GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. The audits found that UNIQA had complied with

the rules of the Austrian Code of Corporate Governance in the 2015 financial year to the extent that the rules were included in UNIQA's declaration of conformity.

The Supervisory Board acknowledged the consolidated financial statements for 2015 and approved the 2015 annual financial statements of UNIQA Insurance Group AG. It also endorsed both the management report and the Group management report. The 2015 annual financial statements were thereby adopted in accordance to 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 47 cents per share will be proposed to the Annual General Meeting on 30 May 2016.

The Supervisory Board would like to take this opportunity to thank all employees of the UNIQA Group for the immense personal commitment and dedication they have shown over the past year.

Vienna, April 2016

On behalf of the Supervisory Board



Walter Rothensteiner
Chairman of the Supervisory Board