

Customers & Markets

A Cut Above in Service Quality

In addition to attractive products and first-class performance, individual extra service is particularly important to today's customers. UNIQA lives up to this demand for qualitative differentiation with a broad range of innovative service tools.

■ Broad portfolio of customer advantages

The many, for the most part free, advantage packages that UNIQA offers represent attractive added value for customers. They emotionalise the insurer as a supplier of a comprehensive solution for customers, which binds them more strongly to the company. In this way, UNIQA proves its high level of expertise in developing products with additional value and unique selling points in the market. This reinforces the brand's image and aids both the acquisition of new customers and targeted cross-selling in the sense of a "total customer" strategy.

■ The UNIQA QualityPartnership – All-inclusive VIP support

One of the central instruments for acquiring and retaining customers is the QualityPartnership offered by UNIQA since 2003. This unique insurance and service package combines exclusive care and complete transparency across all insurance policies and payment flows with an interesting assortment of special benefits. These range from a "no-claims bonus" to advantages based on the level of sales comparable to frequent flyer programmes as well as membership in the UNIQA VitalClub. Over 400,000 customers are benefiting from these advantages already.

QualityPartnership – Attractive in every way

- Automatic membership in the UNIQA VitalClub, Austria's largest health programme with over a million members
- No-claims bonus: Premium refunds of up to €200 annually in cash if no claims have been filed
- Guaranteed active support by an exclusive adviser
- Annual "policy review": Updating and adapting of the insurance coverage to reflect changes in the customer's life situation
- PartnerConto as a "financial control centre"
- PartnerPoints programme: From attractive health and safety benefits to vouchers for sports trips or a stay at a thermal spa
- myUNIQA.at: Around-the-clock online access to QualityPartnership services

■ „My Sure Advantage“ at Raiffeisen Versicherung

The customer and service programme "My Sure Advantage" offered by Raiffeisen Versicherung – Austria's leading bank insurer – continues to grow in popularity among customers. The programme offers a 5% premium reduction in the absence of claims to customers with at least two insurance policies in different segments and a 10% no-claims bonus plus additional special services such as a premium-free life insurance policy if the customer has three or more policies. In 2008, the free weather warning by SMS and e-mail already offered with great success by UNIQA was introduced for Advantage Customers at Raiffeisen Versicherung as well. Complete access to all existing



Andreas Brandstetter
Member of the Management Board

“Quality in winning over our customers is one of our secrets to success. It is based on a broad portfolio of benefits and service packages that give each of our customers their own individual advantage. They experience insurance at a personal level.”

policy data is also available at mein.raiffeisen.at. So far, already about 150,000 customers have decided to participate in this attractive advantage programme.

■ The UNIQA Companion – Always at the customer's side

Comprehensive support and help for the customer that goes beyond simple insurance – this was the idea behind the UNIQA Companion service package that was introduced in the year 2007. Fulfilling its claim to unique solution competence, long-lasting customer relationships and top quality, UNIQA expanded the borders of its brand and its world of advantages by adding an important element in the shape of this new offer of assistance. At the same time, it has established its position as leader in this market area and as a pioneer in matters of customer care.

The UNIQA Companion is already a reliable assistant in daily life for more than four million UNIQA customers. At no cost and with no separate registration required, this service offers all members of the UNIQA family in Central, Eastern and South Eastern Europe useful and product-independent information on topics of mobility, social issues, home, health and lifestyle. The broad selection of topics includes legal and tax information pertaining to motor vehicles, bus and train schedules, weather reports, fuel prices, exchange rates, off-hour services of pharmacies and physicians and even restaurant guides and information on local events.

This internationally available service is offered in person at 70 select service points or over the phone 24 hours a day, 365 days a year. Naturally, customers can consult the Companion Hotline in their respective native language.

UNIQA Companion – For all of life's situations

- Free information and organisation services
- One-stop shop: A single point of contact for many different topics
- Broad range of information on topics of mobility, social issues, home, health and lifestyle
- Automatically accessible and free of charge for all UNIQA customers
- Available while at home or abroad
- Over the phone or in person at 70 UNIQA service points in seven countries
- Companion Hotline available 24 hours a day, 365 days a year

■ Attractive extra service: Weather warnings by SMS and e-mail

The electronic weather warnings introduced by UNIQA in 2004 have proven to be extremely helpful. This innovative service is now used by roughly 260,000 private customers and 1,200 municipalities to stay regularly informed of the threat of rainstorms, floods or hurricanes via warnings by SMS or e-mail. In addition, UNIQA lives up to its role as an insurance partner with recommendations on how to avoid damage claims. For example, over 3.3 million warnings were sent out to UNIQA customers in the year 2008 due to the major storms “Paula” and “Emma”.



In 2008, the UNIQA VitalClub was recognised for the third time with the DISKUS, the award of the Austrian sports industry for services at the crossways between sports and business.

One major advantage of the weather warnings is that customers do not receive the usual forecasts for large regions but rather for their specific home town or vacation spot. To ensure this level of precision, data from about 180 weather stations are continuously evaluated in detail.

As a supplementary service, UNIQA collaborates with Raiffeisen Versicherung to set up free telephone hotlines for each specific storm warning. These hotlines offer customers expert advice on insurance questions and quick help concerning how to fill out their damage claims correctly. Since the beginning of 2009, UNIQA is also offering the weather warnings in Hungary and plans to launch them in more of the foreign markets in the coming years.

■ **The UNIQA VitalClub – Austria's largest programme for lifestyle and vitality**

The UNIQA VitalClub provides about a million members with a number of attractive offers in the areas of exercise, nutrition, mental fitness, energy and their personal environment. With this service, UNIQA is living up to its responsibility as the Austrian market leader in health insurance while also establishing a highly effective instrument for increasing customer loyalty. In 2008, this UNIQA initiative was recognised for the third time with the DISKUS, the award of the Austrian sports industry for services at the crossways between sports and business.

The central feature of the VitalClub is the UNIQA VitalCoach – a holistic, personal advisor in matters of wellness, exercise, proper nutrition, mental fitness and a healthy lifestyle. A total of 100 such experts work throughout Austria as competent contact people for customers and help them actively keep and promote their health and vitality. Aside from the advice of the VitalCoaches, there is also a broad range of opportunities available, from attractive VitalSeminars and the VitalTour to the free UNIQA VitalEdition with its extensive information and tips on

health topics. UNIQA additionally offers an abundance of individual projects for promoting health in business as part of the VitalClub.

■ **The UNIQA TopConto – Financial control centre for all private insurance policies of customers of broker partners**

Approximately 40,000 customers of Austrian brokers already enjoy the advantages of the UNIQA TopConto. In addition to membership in the VitalClub and automatic subscription to the UNIQA weather warning service, it primarily offers a high level of convenience in the management of a private insurance portfolio. Only one booking per month, an attractive 5% multi-policy bonus and the elimination of partial payment fees are the most important advantages. These are supplemented by regular information about any changes that affect premiums; the customer can either look them up any time at myUNIQA.at or have them sent by post.

■ **The UNIQA SuccessPartnership – Additional service for commercial customers**

In view of the positive experience with the QualityPartnership, UNIQA has also put together a customised advantage package for its commercial customers: the SuccessPartnership. With its unique product design, it targets the specific needs of business people. About 12,500 company customers, freelancers and farmers are profiting only two years after the introduction of this innovative combination of insurance protection plus numerous supplementary benefits and assistance services that meet the customers' needs.



The UNIQA VitalTour – a tour filled with information, entertainment and activities for all aspects of health, fitness and prevention for the future.

In addition to the SuccessBonus, a premium refund that depends on premium volume and claim intensity, the SuccessConto is available to SuccessPartners as a billing platform. The online platform myUNIQA.at offers an extensive overview of policies, premiums, credits, account statements, payment due dates, and personal customer data, all accessible around the clock. Other service and assistance offers range from the solicitor PLUSservice, the UNIQA weather warnings and the agricultural weather service for farmers to the MedPLUS 24service and membership in the UNIQA VitalClub.

■ Top ratings in brand awareness, brand value and customer satisfaction

UNIQA's pioneering work in developing new product combinations with added value and modern user-oriented services is paying off. Opinion polls performed annually by market research institutes regularly produce top ratings both in the brand awareness of the Group's companies and brands as well as in customer satisfaction.

For example, UNIQA remains as the company with the highest brand value, receiving top ratings from insurance customers in Austria in the categories of friendliness, innovation, company loyalty and service quality. UNIQA is also as unrivalled in brand awareness as in brand loyalty. UNIQA likewise achieved the highest values across all insurance sectors in answer to the question of which provider customers would choose when taking out a new policy.

In the area of customer satisfaction, UNIQA was able to further solidify its leading position on the Austrian insurance market in 2008. UNIQA was once again the top company among Austrian insurers for 46% of the population. It received the best ratings in company loyalty (56%), above-average service (57%), friendliness (44%) and innovation focus (30%).

- **Recipient of the RECOMMENDER award:** In recognition of exceptional service and high brand loyalty, UNIQA was honoured with the RECOMMENDER award. This award acknowledges the willingness of customers to recommend a company or a product.
- **Participation in the GEWINN trade fair:** With a modern fair booth and a qualified team of experts, UNIQA presented its high competence in all insurance and pension matters to roughly 14,500 visitors at the European trade fair for capital investment in the Vienna Congress Center.
- **Focus on nursing care provisions:** As a leader in innovation, UNIQA is well prepared for the growing interest in private nursing care provisions, a topic of increasing importance for 83% of the Austrian population, with our innovative nursing care offering Pflege & Vordenken.
- **VitalTour 2008:** With the UNIQA VitalTour 2008 launched by the VitalClub, UNIQA started a tour for the purpose of spreading information, entertaining and promoting activities for all aspects of health, fitness and prevention for the future. As part of the tour, customers had the opportunity to win an activity day with head coach Stephan Eberharter.

Processes & Products

Versatility in Satisfying the Highest Standards

Consistent product innovation and flexible responses to the specific needs of its customers are among the UNIQA Group's central success factors. Creative product design is just as important here as modern information technology.

■ Advantage through innovation

UNIQA regularly introduces new products to the market, proving itself again and again to be a leader in innovation in the Austrian insurance business. Be it property, health, casualty or life insurance – UNIQA puts the spotlight on customised solutions and excellent benefits for the customer.

■ FlexSolution – As versatile as life itself

UNIQA's product developers have created a unique product for long-term old-age pension: FlexSolution impresses with maximum flexibility, combining in one policy for the first time ever the guaranteed benefits of classic life insurance with the higher yield prospects of unit-linked life insurance. An innovative product that combines the best advantages of both worlds.

Concluded for an unlimited time period, FlexSolution ideally accommodates the changes that occur over and over during the course of a person's life: the customer can always vary the weighting between classic and unit-linked elements according to his needs and his productivity. That means he can set the amount of risk protection, the amount of premiums as well as the type of investments to reflect his current life situation and investment desires – free of charge and as often as he wishes.

The product, introduced to the market in 2008, has been very well received. In the meantime, over 8,000 new customers have already come to enjoy the advantages of FlexSolution. In the course of the financial market crisis it has become quite obvious that the chance to flexibly adjust investments on an ongoing basis between profit and guarantee is an innovative product feature that is very popular.

FlexSolution – Advantages at a glance

- ❑ Combines the advantages of two worlds – guaranteed benefits and higher yield opportunities
- ❑ Flexible distribution of the premium between the guarantee portion and the yield-oriented components
- ❑ Guaranteed portion: Choice between classic (minimum interest rate plus profit sharing) and a more yield-oriented investment
- ❑ Yield-oriented components: Choice of three portfolios administered by experts (stock percentage from 20% to 100%) or over 150 individual funds of internationally renowned capital investment companies
- ❑ The opportunity to make changes to all choices at any time
- ❑ Individually designed terms and withdrawal structures

■ Raiffeisen PersonenSchutz: Combination of life and casualty insurance

Similarly, one can have the highest conceivable level of flexibility with a new product by Raiffeisen Versicherung called Raiffeisen PersonenSchutz, a combination of life and casualty insurance. The customer can choose here between different variations of life insurance with freely definable benefits in the case of death and casualty insurance with a premium-free rehabilitation allowance that is paid out if in-patient care is required after an accident.

Er ist mein Partner. Nicht meine Vorsorge.

Die Versicherung einer neuen Generation



Unser Reserveschirm beim Autofahren.

Die Versicherung einer neuen Generation



New in Europe: The motor vehicle product SafeLine combines comprehensive safety in an emergency with savings on premiums for those who drive less.

Flexible as life itself. Thanks to the combination of two investment worlds, FlexSolution ideally accommodates the changes in the customer's life situation – as often as he wishes.

■ UNIQA SafeLine – Motor vehicle insurance that can save lives

UNIQA brought an innovation to the motor vehicle insurance sector in 2007 that garnered a great deal of attention and was very well received by the market. As the only provider in German-speaking Europe, UNIQA is selling a completely new motor vehicle insurance product that combines a rate based on the annual number of kilometres driven with an extensive safety system. SafeLine offers premium savings and safety advantages that are made possible through a small GPS box in the car that is equipped with a crash sensor. In the case of a moderate to severe impact, the crash sensor automatically sends an alarm with the exact location to the dispatch centre. In the case of health emergencies, other dangerous situations or even if the car breaks down, the driver can independently trigger the alarm. In addition, stolen vehicles can be located to make recovery easier.

SafeLine customers are rewarded for this higher safety level with lower base premiums and can also save flexibly premiums since SafeLine determines the total kilometres driven in a year, making possible a bonus for environmentally-conscious people who drive less than 10,000 km annually. The less the customer drives, the higher the bonus. This means that every SafeLine customer can also optimise his or her individual CO₂ balance and view it at any time on a special Internet portal. With this, UNIQA has secured itself a clear competitive advantage in Europe. Several thousand customers have already chosen the attractive SafeLine rate.

SafeLine – Safety plus savings on premiums

- A GPS unit in the vehicle enables annual kilometres driven to be recorded and increases safety in an emergency
- Premium depends on kilometres driven and street types
- Up to 35% savings
- Environmentally-friendly as an incentive to reduce CO₂ emissions
- A crash sensor detects moderate to severe accidents and alerts the dispatch centre
- Emergency button for medical emergencies, flat tires and other threatening situations – message goes to dispatch centre
- CarFinder feature facilitates recovery after theft
- All safety services also work outside of Austria



■ Other initiatives for safety and the environment

Since July 2008, as part of the Raiffeisen Climate Protection Initiative, UNIQA and Raiffeisen Versicherung have been supporting private customers who build their homes in accordance with environmental guidelines, in particular when they use energy-saving construction methods. These customers receive an energy bonus in the shape of a premium exemption: they pay no premiums for the first two insurance months. In addition, UNIQA can help you find energy advisers who are authorised to draw up the building's Energy Performance Certificate which has been required since 2008.

UNIQA's campaign Auto & Netz helps protect the environment in a different way. It rewards automobile drivers who also own an annual public transportation ticket by dropping the first two months' premiums of their motor vehicle insurance.

UNIQA carried out a special initiative in property insurance in 2008 for the European Football Championships, which were played in part in Austria. More than 200,000 customers were insured against vandalism during the Championship as part of UNIQA's programme for regular customers without having to pay any additional premiums.

■ Market leadership reinforced with MedUNIQA

UNIQA was able to highlight its position as Austria's market leader in health insurance with attractive new offers, providing a comprehensive product portfolio once again in 2008. The most important highlight here was the introduction of the new MedUNIQA card, now including additional special information and services for UNIQA's special class customers. Approximately 500,000 special class insured customers received a new card that can be used as before as an "entrance ticket" to special class services and also still serves as a membership card to the UNIQA VitalClub.

But the new card can do much more: it offers access to the UNIQA Medikamentenkompass, an online database that lists any negative interactions between various medicines. Customers can also take a look at the Spitalskompass; this can be a valuable tool for patients when it comes to making a decision about which hospital to go to. It also contains information, for example, about which treatments are carried out at which hospitals.

MedUNIQA Card – Valuable service for special class customers

- ☐ "Entrance ticket" for special class customers
- ☐ Membership card for the UNIQA VitalClub
- ☐ Access to the UNIQA Medikamentenkompass
- ☐ Access to the Spitalskompass
- ☐ Can be upgraded to contain medical results

■ Privat Supreme proves its worth

UNIQA's Privat Supreme package continues to be very popular. It is a benchmark in health insurance, combining the best medical insurance protection with effective preventive measures and sensible assistance services.

The service package bundles five key aspects into a single rate and guarantees outstanding, top-quality medical care as well as effective opportunities for learning how to maintain health and fitness:



Approximately ten years after it was stolen from an exhibition, UNIQA, the leading art insurer in Austria, was able to bring one of the famous diamond stars of Empress Sisi back to Austria.

In hospital, the insured person enjoys all the advantages of private patients because UNIQA carries all additional expenses for the special class treatment.

When seeing a doctor or specialist, the customer selects the physician he trusts independent of the health fund contracts and may select the best treatment methods (orthodox or complementary medicine).

As an instrument of prevention, the VitalCheck determines the health status of the customer based on various examinations.

Finally, the customer's personal VitalCoach develops a customised wellness plan with six annual training units based on an individual fitness profile. In addition, the team of physicians at UNIQA's medical call centre is available to answer customer questions at any time.

■ First Care – New health insurance for children

With "First Care", UNIQA offers a new form of private health insurance for children that automatically adapts to their growing insurance needs. Up to the age of twelve, the company covers the full costs for an accompanying person in all Austrian hospitals and public hospitals in Europe. For children aged 12 to 18, First Care pays the costs of special class treatment in a two-bed room for accident-related hospital stays in lieu of the expenses for an accompanying person. Upon reaching adulthood, UNIQA covers all additional costs of special class treatment in hospital after an accident as well as for a broad range of serious illnesses.

■ Customised health insurance for people working abroad

The best possible insurance for persons on long-term international job assignments together with their families is offered by UNIQA's expatriates insurance. Private persons can take out this insurance as well as companies that are sending employees abroad. Five different product variants offer the greatest possible flexibility. They differ in the amount of insurance coverage and include various levels of benefits, such as packages valid in certain geographic areas or offering certain scopes of coverage.

■ The specialised field of art insurance – UNIQA brings the stolen Sisi star back to Austria

As the leading art insurer in Austria, UNIQA insures not only Austrian museums, galleries and other cultural institutions but also an increasing number of private collections. Aside from insurance protection, UNIQA also offers advice on how best to present the pieces in the collection and questions about their conservation and restoration. If insured pieces disappear, UNIQA naturally plays an active role in the investigation and attempts to recover the artwork.

The company was able to celebrate a great success in this regard last August. Approximately ten years after the theft of a famous diamond star that had belonged to Empress Elisabeth, it was possible to return the jewellery to its rightful owners. The star, which had become famous because the Empress wore it in her hair in the portrait by Franz Xaver Winterhalter, had been on loan in an exhibition in Schönbrunn Palace. From there it was stolen directly out of a high security display case. Years of investigations finally led to its discovery in Canada and its return to Austria.



First class products and services – in new markets as well as in Austria. In Croatia, UNIQA has been marketing with Slaven Bilić since autumn of 2008; as trainer of the national football team, he enjoys the status of a national hero. The sponsoring contract was concluded for two years.

In the service of the customer

- Total transparency and information at myUNIQA.at
- Record time for issuing policies starting from 48 hours
- The customer information system called U.KIS provides optimal support for working the market

■ Focus on processing quality

Offering optimal and quick service that is easy for the customer is one of UNIQA Group's top priorities and constitutes an important competitive edge. Whether it's the speed with which the policies are issued, processing of inquiries and claims or providing information to customers, all services are enhanced by cutting-edge information technology and customer-friendly design.

■ myUNIQA.at – The practical online customer platform

With the myUNIQA.at portal, UNIQA has created a universal online tool and an optimal platform for its customers similar to the online banking platform common in the banking sector. All information can be called up through this portal – from a detailed overview of the policies, the latest payment plans and the responsible customer representative to the number of points customer have in the PartnerPunkte programme in the QualityPartnership. The confirmations of premium payments needed for the Ministry of Finance can be obtained online through myUNIQA.at and the portal is also the right place to go with complaints and suggestions. As part of the myUNIQA portal, the customer also receives a regular e-newsletter with the latest information about products and campaigns. The only prerequisite for participating is a valid policy with UNIQA. The customer can call up all his password-protected information at any time comfortably from his home in real time, and decide how to make his arrangements. Already 40,000 customers are using this attractive and easy offer.



Karl Unger
Member of the Management Board

“In addition to consistent product innovation, flexibility and speed are decisive for survival and success in the market. UNIQA is one of the leading players in all of these points.”

■ Issuing policies in record time

When the direct electronic transfer of applications from the Raiffeisen banks to Raiffeisen Versicherung was enabled in 2005, it clearly sped up the time it took to issue new insurance policies. In ideal situations the policy can be printed overnight and sent to the customer within a record 48 hours. This has considerably increased the level of service of the Raiffeisen banks as a sales partner.

■ UNIQA's customer information system enables optimal customer support and market communication

By implementing the UNIQA customer information system (U.KIS) back in 2006, the UNIQA Group took a decisive step towards optimally tapping into and managing customer potential. This online database keeps track of the customer relationship in its entirety – completely detached from the individual insurance segments. The second phase of this system already went into operation in the middle of 2007. Since then, a customer compass and a scheduling system have been added to the U.KIS and it now integrates online rate fixing for the most common insurance products. In 2008, the system was expanded to include the direct issuance of policies and analysis tools to support sales campaigns. In 2009, the focus will be on training the users and increasing user-friendliness.

The electronic access to the individual profiles of each policyholder offers the opportunity for service tailored to individual needs. In this manner, the system allows for improved service quality, thus encouraging customer loyalty. At the same time, by seeing the entire portfolio of each individual customer relationship all at once, UNIQA can quickly pass the advantages of more risk-appropriate and customised premiums on to its customers because all available customer information can be considered when determining the premiums.

In addition, the system highlights the potentials for cross-selling, enabling high-yield customers to be targeted directly. Particularly in times of crisis, UNIQA can then address them with even more attractive terms. Thus, U.KIS has proved to be a valuable instrument of sales and customer policies. It ensures the Group will have a decisive advantage in cultivating the market and that customers will receive service tailored to their needs.

Group & Profit

Sound Growth

Consistent internationalisation through expansion into the growth markets of Eastern and South Eastern Europe is a central element of the UNIQA Group strategy. The growth in premiums and profit achieved in this way as well as the broader spread of risk help secure the Group's market position and independence. Thanks to this strategy, the Group has weathered the consequences of the crisis on the financial markets relatively well.

■ UNIQA goes East

Despite the fact that UNIQA was forced to temporarily set aside its medium-term profit targets in the face of uncertainties stemming from the financial market crisis, Austria's leading insurance group still views international expansion as key to its future. The primary target markets are the dynamically growing democracies in Central, Eastern and South Eastern Europe, which offer high potential due to their still relatively underdeveloped insurance density and penetration in all sectors.

In implementation of this strategy, the Group is investing considerable financial resources and management capacities in developing the markets in the Eastern and South Eastern regions of Europe. With this internationalisation of its business as well as Group profits, the Group aims not only to improve the spread of risk but also to establish the basis for sustained, yield-conscious growth and to secure its independence even in an environment that has recently become significantly more difficult.

■ Increasing contributions from international markets

The UNIQA Group has now established itself as one of the key market players in Central, Eastern and South Eastern Europe. Over seven million customers and nearly 15 million contracts, Group premiums of €5.8 billion and capital investments exceeding €21 billion offer impressive proof of this. The 19 markets outside of Austria from the Adriatic to the Baltic Sea, from Lake Constance to the Black Sea are now served by a total of roughly 19,000 employees.

The countries of Central Eastern Europe (CEE) as well as the Eastern Emerging Markets (EEM) make a growing contribution to these figures. At present, 22% of the total premium revenue of the UNIQA Group comes from these regions, while just five years ago this value was at 8%.

Including the activities of the Group focused on profitable insurance niches in Western Central Europe in the countries of Germany, Switzerland, Liechtenstein and Italy, the share of international premiums in 2008 totalled over 38%, a value that should be increased further in the future. The Austrian market remained a firm foundation for the Group with a rise in premium revenue by 2.3% to €3.6 billion and a share in Group premiums of 62%.

Dynamic growth in Eastern Europe

- Premiums in CEE and EEM once again exhibited above-average growth in 2008 of 56.7%, reaching €1.279 billion.
- The share in Group premium revenue increased to 22%
- Significant growth in property and casualty insurance
- Life insurance also demonstrated high growth rates
- 100% share obtained in the sixth-largest Romanian property insurer UNITA
- Including WEM, 38.2% of the Group's premiums originate from international business
- 2009: Entrance into the Russian market

■ Takeover of UNITA considerably strengthens the position in Romania

After the expansion steps of recent years in Albania, Macedonia, Kosovo and Serbia as well as the broadening of the financial engagement in Bulgaria and the Ukraine, the UNIQA Group once again decisively strengthened its position in Eastern Europe during 2008. In November 2008, the Group took over 100% of the shares in the sixth-largest Romanian property insurer UNITA. The contract for purchase of the shares was signed on 30 June 2008, and the closing took place on 3 November 2008 after obtaining of all regulatory approvals.



Hannes Bogner
Member of the Management Board

“Despite the financial market crisis, growth and strengthening of our earning power remain our central goals. Like other insurance companies, the crisis has affected us heavily, but we have been successful in largely minimising the consequences to date.”

In a single stroke, this move brought UNIQA a property insurance market share of over 7% in one of the most important markets of Eastern Europe. Founded in 1990 and headquartered in Bucharest, UNITA achieved a premium volume in 2008 of approximately €142 million. The company's roughly 960 employees serve over 250,000 customers. Sales are made via a comprehensive network of 41 branch offices, over 500 in-house sales employees and more than 7,900 agents as well as roughly 295 brokers and leasing companies.

With around 22 million inhabitants, Romania is one of the three largest markets in the CEE region and one of the fastest-growing economies in the EU. By acquiring one of the largest insurance companies in the country, UNIQA has established an excellent starting position for participating in this dynamic environment.

The Romanian insurance industry has also experienced rapid growth in recent years, although it still harbours great potential as it closes the gap relative to Western Europe and even the other countries of Eastern Europe. For example, insurance penetration (premiums as a percentage of gross domestic product) was still 1.8% in 2008 compared with 9.0% for Western Europe, 5.8% for Austria and 2.7% for the entire region of Central and Eastern Europe.

In further expanding its business here, the Group will rely on close cooperation with the local Raiffeisen banks.

■ New headquarters for UNIQA Biztosító

The dynamic business development of the Group company in Hungary made it necessary to build a new headquarters in Budapest: A full 400 staff are employed for in-house sales, and the total number of sales staff already exceeds 1,000. One year after the laying of the foundation stone, it was possible in November 2008 to hold the topping-out ceremony for

UNITA – Summary of the new shareholding in Romania

- Founded in 1990
- Sixth-largest property insurer in the country
- Market share in property insurance: 7.1%
- 2008 premium volume: €142 million
- 250,000 customers
- 41 branch offices
- Approx. 500 in-house sales employees
- More than 7,900 agents
- Roughly 295 brokers
- Successful start of the integration into the UNIQA Group

completion of the shell for the new building, which encompasses approx. 18,000 m².

The new main administrative centre, which is being erected next to the existing building of UNIQA Versicherung, should be ready for moving in by spring 2009 after only 18 months of construction. Roughly 60% of the building will be used by UNIQA Biztosító, and the remainder will be leased out. A public restaurant, a café and a preventive healthcare centre round out the infrastructure.

Founded in 1990, UNIQA Biztosító Zrt. is currently the sixth-largest insurance company on the Hungarian market. It serves more than 430,000 commercial and private customers via its comprehensive sales network. The company's premium revenue in 2008 amounted to €259 million.



The new headquarters of UNIQA Biztosító in Budapest should be completed in spring of 2009.



The successful internationalisation of the UNIQA Group is also being expressed in the advertising.

Numerous awards in 2008

- The Hungarian company UNIQA Biztosító was selected by an expert jury of the magazine Figyelő as the best financial service provider in the country.
- The Association of Independent Insurance Brokers in Hungary ranked UNIQA Biztosító in first place in the category of automotive insurance companies within its quality assurance ranking.
- UNIQA Biztosító was once again recognised as a “Super-brand” and for the first time also as a “Business Super-brand” in Hungary.
- As the leading insurance brand in Bosnia and Herzegovina, UNIQA Osiguranje also received the status of a Superbrand.
- UNIQA Osiguranje was also selected as the leading insurance company in the country in the survey on leading insurance companies and brokers in Eastern Europe performed by Global Broker & Underwriter.
- UNIQA won five awards in the Annual Financial Products Competition in Slovakia.
- UNIQA was recognised with the “Finance Medal” by the Polish business magazine Home & Market for the performance of its call centre in claims processing.
- Also in Poland, UNIQA won in the category of “Best Products for Companies 2008–2009” of the competition held by the finance magazine Gazeta Finansowa for its bundled product package directed specifically at SMEs. The most important criteria for this award were innovation and professionalism.

■ Germany: Mannheimer continues on its growth course

UNIQA Group has been present in Germany since 2004 with successful target group specialist Mannheimer Versicherungsgruppe, which garnered special attention in 2008 with a number of innovations. The spectrum ranges from a transparent tracking system that significantly reduces throughput times to an attractive, new target group programme in health insurance and new sales channels for occupational pensions. With a new online broker portal that supplies a Web code to over 800 independent brokers in Germany, Mannheimer is the first insurance company in Germany to offer its sales partners such practically-oriented support for the intensified statutory consulting and transparency requirements.

■ Liechtenstein: Private Insuring Competence Center

The foreign subsidiary UNIQA Lebensversicherung AG, located in Vaduz, has established itself within the Group as a private insuring competence centre. The private insuring programme offers a unique upgrade for investments: The opportunity to bring a personal portfolio into a life insurance policy, whereby the bank and portfolio manager can continue to exercise their usual functions.

■ Joint venture in the United Arab Emirates

In the past year, UNIQA has expanded its activities eastward even beyond the borders of Europe. A new personal insurance company was founded in cooperation with the property insurer Al Buhaira National Insurance Co, located in the Emirate of Sharjah. The new company is located in Dubai and operates under the name “Takaful Al-Emarat”, providing health and life insurance policies that satisfy Islamic law. UNIQA holds a 15% stake in the company, another 20% is held by Al Buhaira and 10% of the shares were subscribed by leading founding members. The remaining 55% was offered to the public in an IPO.



The Bulgarian world-class track and field athlete Ivet Lalova also helps to promote awareness of the successful UNIQA brand outside of Austria.

As one of the leading insurance companies in the region, Al Buhaira brings its market knowledge and local network to the table, while UNIQA supports the new insurer with its broad know-how in the areas of life and health insurance. High potential exists for Takaful Al-Emarat in the introduction of mandatory health insurance for all expatriates working in the Emirates – which accounts for roughly 80% of all workers – and the high growth in the life insurance sector. UNIQA also benefits by acquiring know-how in the structuring of “Islamic” products, which are also in demand in some markets of Eastern and South Eastern Europe.

Special rules apply to insurance policies under Islamic law, which forbids interest and betting. They are based on the idea of a community of insured that shares the risks and also takes part in the profit of the insurance company. For this reason, these insurance policies must be configured as a shared fund similar to a mutual cooperative insurance company.

■ International expansion supported by the EBRD

The internationalisation of the UNIQA Group is actively supported by the European Bank for Reconstruction and Development (EBRD). In November 2007, the EBRD expanded the cooperation it has maintained with UNIQA since 1998 by increasing the scope of the framework agreement from €70 million to €150 million. This provides new financial means for the acquisition of minority investments by the EBRD in existing UNIQA subsidiaries in Central and Eastern Europe up until the end of 2017.

■ Profit Improvement Programme

The UNIQA Group's Profit Improvement Programme 2007–2010 should bring about an increase in profits in the core insurance business (excluding the financial investments segment) of €200 million by the year 2010. Within the framework of comprehensive and specifically planned measures, the claim and cost ratios should continue to be noticeably reduced further, structures should be compressed, redundancies within the Group eliminated and certain tasks cost-effectively outsourced to international Group companies. UNIQA remains well on course in implementation of this programme. The proportional goals for the year 2007 were met, and the planned actions within the core business were also implemented in 2008.

■ Standard & Poor's confirms a solid financial structure

The continued financial strength of the UNIQA Group despite the capital market crisis was confirmed by the international rating agency Standard & Poor's (S&P) in December 2008 with an A rating with stable outlook. Key justifications for this rating were the significant competitive position and convincing sales capacities in Austria as well as the organic growth in Central and Eastern Europe that exceeds the market average. The accelerated internationalisation and the solid operational performance of the Group were also important factors.

S&P substantiates the stable outlook with the expectation of continued strong capital resources, increasing cost-efficiency and strong operational performance. The rapidly expanding business success of the Group outside of Austria also played an important role. S&P sees the greatest growth potential for UNIQA in continued intensification of its activities in the markets of Eastern and South Eastern Europe. Based on investments in the organic growth of the international companies, additional acquisitions and the Preferred Partnership with local Raiffeisenbank organisations, S&P also expects our above-average growth in the sales and profit contributions to continue into the future.

Staff & Partners

Competent, Flexible, Motivated

The staff and partners of the UNIQA Group are highly committed to satisfying the highest standards in sales and customer support. The foundation for this is laid through comprehensive initiatives in the areas of training, continuing education and motivation.

■ Employees as central asset

As a constantly growing, internationally active service provider, the UNIQA Group owes its success to the qualifications and motivation of its employees. Their extreme professionalism, flexibility and mobility have been essential in enabling the strong growth in recent years and positioning the Group as a leading player in Central and Eastern Europe. In full awareness of this fact, the UNIQA Group implements a wide range of measures in the area of human resources development. Likewise, supporting and informing all sales partners also represent a key focus.

■ Go Ahead – Focused promotion of mobility within the Group

Having the right employees at the right place and the right time is a central part of operational human resources management, particularly within an international Group. Established in 2003, the UNIQA Group's mobility programme Go Ahead has proven itself effective in accomplishing this goal. Continuously improved with new elements and more efficient organisation, this programme supports temporary assignments for Austrian employees at international Group companies as well as for international colleagues at locations in Austria and other countries.

The programme, which represents both a recognition of talent and an opportunity to advance one's career, is directed not only toward the exchange of information within the company and expanding of horizons but also toward active networking and the associated strengthening of a shared corporate culture. With consistently positive evaluations by the participants, Go Ahead can certainly be considered a great success. The popularity of Go Ahead is constantly increasing, as can be seen in the growing demand: While 88 employees started in the programme in 2007, the number of new participants in 2008 was 105. In total, Go Ahead has provided assignments to 318 employees from 15 countries.

The programme was made even more attractive in 2005, especially for employees with families, through creation of the Go Ahead Light module for short assignments abroad as well as the introduction of Go Ahead Light Mentoring (international know-how partnerships) in the year 2006. While the "normal" foreign assignment extends on average from 12 to 24 months, assignments as part of Go Ahead Light and Go Ahead Light Mentoring last only one to three months. Roughly 68% of all participants in Go Ahead have since chosen this abbreviated version with high success levels and excellent cost-efficiency.

■ Maximum efficiency in personnel development and management

In order to better coordinate the increasingly complex work processes within a constantly growing group, UNIQA consolidated its operational personnel management and personnel development into UNIQA Human Resources-Service GmbH (UHRS) already in 2007. This company represented an expansion in the range of service companies within the Group and is responsible for the development and implementation of all processes in the areas of recruiting, education and personnel administration.

UHRS also ensures Group-wide use of modern tools for employee management and training. The employee meetings for in-house staff instituted in 2001 were also comprehensively continued in 2008. This instrument was implemented for salaried field sales staff last year for the second time and within the Broker Service for the first time with great success. The focus of the manager training for the salaried field sales staff in 2008 was placed on strengthening the function of the sales managers and their duties. The individual development plans introduced in 2007 for managers in new positions were continued in 2008.



Last year, the 2008 UNIQA European Football Championship was very well received among the employees. At the start of May, teams from many countries of the UNIQA Group played against each other at the Wiener Neudorf stadium. A total of 24 teams competed ambitiously but with fairness and comradery, and were followed excitedly by colleagues from all UNIQA countries. After three tournament days, the team from Tyrol won the title of UNIQA European Football Champions. The most successful international participants were Poland, Italy, Bulgaria and Slovakia.

■ Talent management

The focus of personnel development in 2008 was placed on talent management for the first time in pursuit of UNIQA's goal of filling a majority of the many management positions in the rapidly growing Group from within its own ranks. In order to lay the appropriate groundwork, talented Austrian and international employees are given the opportunity to prove their management potential in a Development Center. Based on the results of the qualified observation process, development plans are created for the identified talented individuals to ensure that the existing potential is transformed into real skills and capabilities over the short and medium term.

In Austria, 65 especially talented employees took part in a Development Center during 2008. Of these, 44 succeeded in convincing the observers of their exceptional management potential for the next higher management levels. In addition to further development of management talent, considerable value is also placed on promoting technical specialists. This satisfies the requirements for focused knowledge management in order to maintain qualified employees for UNIQA over the long term.

■ International apprenticeships

The apprenticeships for the youngest colleagues have also been "internationalised" at UNIQA. The two-year insurance apprenticeship at an Austrian regional office is combined with a five-month international internship at a UNIQA company. This is intended to promote a willingness for mobility while at the same time supporting the creation of a personal network within the Group. The pilot project between the Vienna regional office and UNIQA in Slovakia was very successfully completed by the participants in June 2008. In the year 2009, apprentices from the regional offices of Vienna and Upper Austria along with the



Roughly 130 managers from the entire UNIQA family were familiarised with the current Group strategy and corporate planning in 2008 at two ManagerCircle events in Vienna and Montenegro. The picture shows the ManagerCircle in Budva, Montenegro.

partner companies in Hungary and the Czech Republic will take part in the international apprenticeship programme. In fall of 2008, the programme was expanded to include an apprenticeship in Exclusive Sales in order to offer the apprentices their first sales experiences in addition to specialised knowledge.

■ Exclusive Sales: Continuing on the path of success

Exclusive Sales traditionally holds a central position in supporting UNIQA's customers. In order to keep the level of information, professional know-how and motivation of sales managers and employees as well as of UNIQA General Agencies as high as possible, UNIQA offers its partners in this segment a broad range of information and training opportunities. In the interests of accomplishing the main strategic goals, the focus in the year 2008 was on the areas of "total customer", "sales expansion", "sales not administration", "fulfilling more standards" and "intensifying provision products".

The management and support staff in Exclusive Sales had access to a wide selection of seminars once again in 2008 within the framework of the Managers Development Forum. The offered trainings centred on targeted support for seminar participants, customised for their specific duties and with an intensive practical orientation. The application of corresponding controlling, management and marketing instruments formed an integrative focal point.

In 2008, more than 450 customer advisors in Exclusive Sales started their basic training, and the partial reorganisation of the training programme that took place in 2007 proved very effective. The training is now increasingly focused on the process of customer management, whereby the application of the life tree as a method of professional consulting analysis represented a central topic in the basic training programme.



More than 600 interested participants from Austria and CEE at the UNIQA 2008 General Agency Conference at the Linz DesignCenter.

■ Fifth UNIQA General Agency Conference

High transparency and support in day-to-day sales work is a key goal of the UNIQA Group in the collaboration with its partners in broker sales. Accordingly, the fifth UNIQA General Agency Conference on 8 and 9 October 2008 at the Linz DesignCenter offered comprehensive information about the development, strategy and products of UNIQA.

Roughly 600 participants from Austria as well as some particularly interested representatives of General Agencies from Poland, the Czech Republic, Slovakia, Hungary, Croatia, Romania and Bulgaria took part in the information exchange regarding the developments of recent months and assessment of the future while also enjoying a first-hand look at important details of new products, advertising opportunities and much more. Twelve fair booths, workshops and a podium discussion offered a broad platform for this.

This very well received conference represents an important milestone in strengthening and expanding the UNIQA General Agency system. Even from an early point in time, UNIQA began relying successfully on this sales partnership, which has proven itself throughout Europe. Since 2005, the number of agencies in Austria has grown to 750 General and Partner Agencies, with the establishment of over 50 new locations. The General Agency system in Austria is therefore becoming increasingly important to the entire Group.

The new content orientation of the **General Agency Academy**, UNIQA's central training and continuing education institute for its independent sales partners, has proven itself very well. In addition to the basic training, in which new General and Partner Agencies learn about the most important solutions for managing risk and providing for the future within the framework of the total customer strategy, the General Agency Academy now also offers a wide range of seminar modules for in-depth treat-



Roughly 300 female consultants from Raiffeisen banks as well as high-ranking representatives of the Raiffeisen bank group, policymakers, business representatives and the media attended the event under the motto *www = weiblich-wertvoll-womanlife* (feminine-valuable-womanlife). Financial, legal and medical aspects as well as role expectations, career prospects and gender ratios were discussed in detail.

ment of specific topics. These topics range from Entrepreneurs & Management Strength to Product & Argumentation and from Sales & Professionals to Practices & Technology. The spectrum is rounded out by seminars specifically geared toward back office staff.

■ Broad range of information and training for brokers

UNIQA is also setting new standards of quality and innovation in its ambitious seminar programme on professional and personal development for brokers. The UNIQA Broker Service is not only the largest partner to Austrian brokers, it also frequently proves itself a pioneer in the development of industry standards. In 2008, UNIQA once again made numerous modifications that were all positively received by the brokers.

A central element in UNIQA's success with independent brokers is the **Broker Academy** (MAK) founded in 1997, which has already hosted events and seminars for over 2,000 participants. The most frequently booked seminars of recent years with topics ranging from business, finance and the stock market to personal fitness and mental training were sent by the Broker Academy to 4,000 brokers in the form of a "best of" programme. The resonance to this attractive offer was correspondingly high. Over 230 people visited one of the offered modules in 2008 alone. The international conference held within the framework of MAK International brought a total of 120 UNIQA business partners to the Russian metropolises of Moscow and St. Petersburg in May 2008 – two important future markets for the Austrian economy.

■ Effective sales platform for brokers

The Sales Platform for Brokers (VPM) was expanded with valuable functions in 2008 to more effectively support the daily work of the brokers. For instance, an online rate application simplifies constant access to the entire product portfolio of Broker Select,



Gottfried Wanitschek
Member of the Management Board

“The competence, flexibility and mobility of our employees and partners in their daily work are the primary prerequisites for us to realise our ambitious corporate goals.”

the exclusive UNIQA product line for independent brokers. Offers can now be generated and insurance applications submitted literally at the press of a button. The compensation for business transactions performed electronically by the brokers was also redesigned – and increased. Additional improvements are the electronic transfer of commission notes as well as an expansion to the detailed data made available via VPM.

TopCard – Attractive extras for brokers

- BrokerPLUS24Service: Arrangement for craftsmen to come immediately in the event of office damage as well as help with temporary personnel and rental equipment
- Attractive mobile telephone rates in cooperation with A1
- 10% discount at many APCOA garages
- “Make a wish!”: Once per year, help in fulfilment of a wish (tickets for hot cultural and sporting events, difficult hotel bookings, etc.)
- Personal UNIQA VitalCoach

■ Cooperation programmes in bank sales remain very successful

The sales cooperation programmes of the UNIQA Group with banks continue to develop very advantageously for all partners. In the foreground here is the Preferred Partnership with the Raiffeisen bank group in Central and Eastern Europe, which is being continuously intensified. The cooperation with the Veneto Banca group in Italy is also yielding valuable, positive sales momentum, particularly in the area of life insurance. Raiffeisen Versicherung functions here as a competence centre for the entire area of bank sales within the UNIQA Group.

The cooperation with Raiffeisen extends to include 13 markets besides Austria. In addition to offering combined banking and insurance products, the focus lies on the staged introduction of capital-forming life insurance products in selected markets. The mutual utilisation of sales channels offers noticeable synergies to both UNIQA and Raiffeisen.

To improve the performance in bank sales still further, Raiffeisen Versicherung started an optimisation programme in 2008. This programme makes it possible to measure compliance with customer-oriented quality standards on the basis of key performance indices and is directed toward a reduction in response and processing times. In total, over 100 individual measures in a wide range of areas are being implemented here.

■ Consulting initiative on the topic of provisions for women

Womanlife, the innovative programme focused on provisions for women, was not only continued by Raiffeisen Versicherung in 2008 but received increased visibility as well. The financial securing of women, so often neglected in the past, is of particularly high importance today. The average pensions held by women are currently roughly 41% below those of men. In order to draw increased attention to the need for corresponding provisions, Raiffeisen Versicherung held a prominently attended matinee on 8 March 2008 at the Vienna Hofburg on the occasion of International Women's Day. At the same time, it represented the kick-off for an intensification of consulting activities for women at Raiffeisen banks.