

A focus on our customers

*The needs of our customers are what drives our work.
Achieving our goals as a company depends on winning
our customers over with our service.*

Our mission: Just like in a family, we are committed to our customers so that they can enjoy life-long security and plan their lives with confidence.

To help us to fulfil our mission, last year we defined the corporate values that guide our actions:

- **We inspire:** We are dedicated to people. We know and understand the needs of our customers and colleagues and inspire them with our commitment.
- **We shape:** We continuously develop. We are ready to learn and to grow on a continuous basis and are resolute in shaping our future. Our new and intelligent solutions make us a pioneer in the industry.
- **We are straightforward:** We are honest and direct. We deal with our customers, shareholders and colleagues in a straightforward manner because they are important to us.
- **We deliver:** We want to win. We seek to be successful by delivering top performance for our customers and shareholders. We deliver on our promises.

Our values are our foundation; they form the basis for successful, productive cooperation. We are working hard to continue to realise these values in our daily work and across all segments of the Group. We have launched two major initiatives to ensure our success in the long term:

A strong brand is a company's identification system, both internally and externally. This is why we have put the UNIQA brand to the test. 88 brand ambassadors from all segments and regions have taken up the challenge of integrating the UNIQA brand into the fabric of our entire organisation by being role models. The points of contact between customers and the brand were developed at workshops, resulting in a total of 111 brand contact points. We are now working intensively to optimise these points for the benefit of our customers.

The second initiative is the "Customers understand UNIQA" project, in which we are analysing our customer communications with respect to our corporate values. Clear and comprehensible communication ensures mutual understanding and tailored solutions that increase customer satisfaction. We will continue to work on this in a concentrated and energetic manner in 2014.

Profitable growth in our core business

With our long-term strategic programme UNIQA 2.0, we have defined a clear path to 2020: we are focusing on profitable growth in our core business as a primary insurer in our core markets of Austria and Eastern Europe.

OUR BUSINESS MODEL – PROVIDING ASSURANCE

We, the UNIQA Group, are one of the leading providers of insurance in all categories in our core markets of Austria and Central and Eastern Europe (CEE). Our roots date back more than 200 years to 1811. Today, we look after more than nine million customers in 19 countries. The long-standing, successful cooperation with Austria's largest banking group and one of the leading banks in CEE – Raiffeisen – is a key element of our business model. In addition to this, UNIQA is the strongest insurance brand in Austria and is very well positioned in CEE.

We provide assurance. In exchange for a premium, we take on our customers' financial risk so they can be confident of being on firm ground. This gives them the assurance to shape their lives as they wish. In the event of a covered loss, we step in, compensate our customers and ensure that they are not left out of pocket. The basic principle of the insurance business is the pooling of risks. The premiums paid by all our policyholders form the basis for a "pot" of capital that we use to settle losses and claims as they arise. The value added we offer is the risk-adequate management of this portfolio and the optimal processing of claims. This means that we focus on risk diversification as well as a cost-effective corporate structure, thereby minimising risk and keeping our premiums attractive.

Proximity to our customers lies at the heart of our business model. We address people's needs and inspire them with innovative solutions in the areas of property and casualty, life, and health insurance, while never losing sight of the profitability of our products.

OUR STRATEGY – PROFITABLE GROWTH

For us, the UNIQA 2.0 strategic programme represents a commitment to our shareholders, customers and employees. We are working to become the best insurance company in Central Europe. This means we want to be the insurance company with the strongest focus on the needs of shareholders, customers and employees.

In 2013, we achieved what we promised. We increased our customer base to 9.3 million. Earnings before taxes (EBT) increased by 49.7 per cent year-on-year to € 306 million, while consolidated profit after taxes and minority interests more than doubled. This also enables us to propose an increase in the dividend from €0.25 to €0.35 per share.

The low interest rate environment remains a particular challenge for the entire European insurance industry at present. This is making us work all the harder to improve our underwriting result, i.e. improving the profitability of our core business. The Group-wide combined ratio has fallen to 99.9 per cent, while our cost ratio has been reduced to 24.1 per cent. The capital increase (re-IPO) that was successfully implemented in October 2013 also strengthened our equity base and created strategic flexibility for further growth. We already fulfil the new capitalisation requirements for insurance companies (Solvency II) that will come into force within the EU on 1 January 2016.

UNIQA 2.0: Growth strategy



01 What is our goal?

To double the number of customers from 7.5 million in 2010 to 15 million in 2020.



02 How will we achieve this goal?

By focusing on our core business as a primary insurer in our core markets of Austria and CEE.



03 Where do we intend to improve in our core business?

- UNIQA Austria: increase profitability
- Raiffeisen Insurance Austria: improve productivity
- UNIQA International: growth and profit in CEE
- Risk/Return: value-oriented company management



04 What do we need to achieve this?

- Strengthened capital base following re-IPO in October 2013 (free float increased to 35.4 per cent)
- Simpler, more capital market-friendly Group structure since October 2012

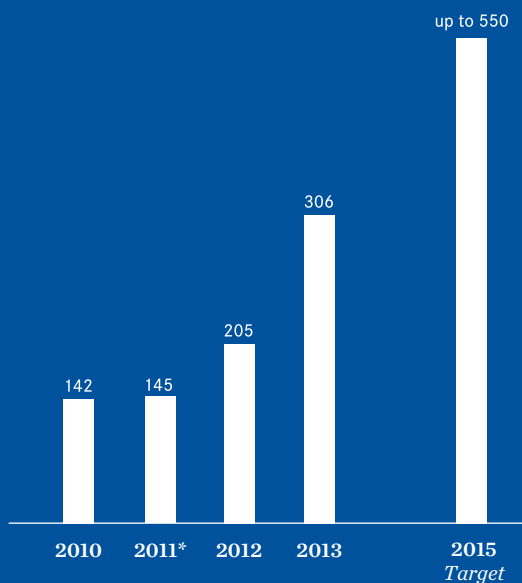


05 Why is this attractive for our shareholders?

Because we intend to improve EBT by up to € 400 million between 2010 and 2015.

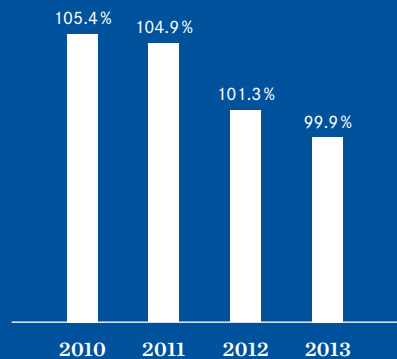
Earnings growth due to UNIQA 2.0

Change in EBT (in € million)



* adjusted for non-recurring and extraordinary effects

Combined ratio reduced



Combined Ratio

The ratio of insurance benefits and costs to premiums in property and casualty insurance is described as the combined ratio. This figure illustrates the ability of a property insurance company to generate a profit from its core operating business. In 2013, UNIQA succeeded in reducing its combined ratio to 99.9 per cent, thereby making a significant contribution to improving the profitability of its core business.

The UNIQA 2.0 growth strategy is based on five pillars:

1. Doubling the number of customers

We intend to double the number of our customers from 7.5 million in 2010 to 15 million by 2020. We attracted 0.6 million new customers in 2013 and had a total of 9.3 million customers in our 19 countries at year-end.

2. Focusing on core business

To achieve our customer target, we are focusing on what we do best: our core business as a primary insurer in our key markets of Austria and CEE. We have sold equity holdings that do not fit this strategy, such as our media investments and the Mannheimer Group in 2012 and the Austria Hotels International Group in 2013.

3. Implementing four key programmes

We have developed four key programmes that will bring about lasting improvements to our core business and help us to achieve our earnings target:

a. UNIQA Austria – increase profitability

For UNIQA Austria, we have set ourselves the target of significantly increasing profitability by optimising structures and processes, thereby improving our customer service and cost efficiency. In 2013, we increased the number of local service centres to 410. We also combined the back office functions of eleven sites to form three central service centres at five locations. As a result, we have created more streamlined processes while simultaneously relieving our local customer advisors of activities relating to direct customer service.

b. Raiffeisen Insurance Austria – improve productivity

Raiffeisen Insurance is a wholly-owned subsidiary of UNIQA that is active in the segment of bank assurance in Austria. It sells its products exclusively through the Raiffeisen banking group, which operates by far the largest network of bank branches in Austria. Raiffeisen Insurance has set itself the target of significantly improving productivity over the coming years. This approach started to bear fruit in 2013: premiums in the Raiffeisen Insurance segment again outperformed the market by some distance, increasing by 7.2 per cent as a result of the intensified cooperation with the Raiffeisen banks. We are continuing to work intensively on ensuring that Raiffeisen Insurance's products and processes are geared even more specifically towards the needs of the Raiffeisen banks and their customers.

c. UNIQA International – grow profitably

UNIQA International, which encompasses our subsidiaries outside Austria, has the aim of growing considerably above the market rate in CEE on a sustained basis with a focus on profitability and value. Premiums in the UNIQA International segment increased by 11.3 per cent in 2013. We further expanded our market share in 13 of 15 CEE countries. The acquisition of the Baloise Group's insurance companies in Croatia and Serbia in the first quarter of 2014 allowed us to considerably strengthen our good market position within the Southeastern European region as a whole. This acquisition also supports one of UNIQA International's strategic projects, namely the implementation of a target operating model in Southeastern Europe. The aim of the project is to establish a uniform, standardised business model for all countries in the CEE region, with customer-oriented processes and a transparent structure. Through this, UNIQA International intends to leverage

cross-border synergies, significantly improve cost efficiency and improve its customer service.

Much like in Austria, our focus in the CEE region is on close cooperation with the banking industry to increase sales through banks. We are working to further increase our market share in particular by cooperating with our preferred strategic partner, Raiffeisen Bank International, which operates the largest branch network of a western bank in CEE, consisting of more than 3,000 branches. In Italy, we have an extremely close cooperation with the Veneto Banca group in the area of life insurance sales.

In 2013, we advised 60 per cent of our customers and generated 24 per cent of Group premiums in our core market in the CEE region. Our aim is to generate 50 per cent of Group premiums and 30 to 40 per cent of consolidated profit in the CEE region by 2020.

d. Risk management – control risk

The Solvency II project introduces new supervisory and capitalisation requirements aimed at establishing an end-to-end system for overall solvency. These requirements must be implemented by 1 January 2016. UNIQA welcomes the introduction of Solvency II and has taken considerable efforts ever since its announcement, thereby ensuring that it was already extremely well prepared for the new standards in 2013. We further reduced the risk exposure on our balance sheet in 2013. As part of our strategic investment policy, investments in shares, private equity and hedge funds were reduced, and the capital freed up as a result was invested in stable, high-yield bonds. At the same time, we continued to close the gap between the term of our assets and our actuarial liabilities through strict asset liability management. Both measures have led to an improvement in the economic solvency ratio. Although UNIQA has now achieved a comfortable risk and equity position, it will continue to work systematically on the introduction of Solvency II across all segments of the Group in 2014.

4. Strengthening the equity base

We achieved two extremely important strategic milestones in 2013: Having created a new, clear Group structure with no significant minority interests in late 2012 and prepared ourselves systematically, in October 2013 we were able to successfully complete the re-IPO that was announced back in 2011. The gross issue proceeds of € 757 million strengthened our equity considerably and created strategic flexibility for further growth, as well as increasing the free float and hence the liquidity of UNIQA's shares. As a result, UNIQA was included in Vienna's leading stock exchange index, the ATX, in March 2014. This means that we are now one of the 20 largest and most traded listed companies in Austria.

5. Improving earnings

In 2011, we set ourselves the concrete target of increasing our EBT to up to € 550 million by 2015. Our aim for 2013 was to generate EBT in excess of € 300 million. We have achieved this target; at € 306 million, we are 49.7 per cent above the figure generated in 2012.

At home in the heart of Europe

UNIQA is at home in Austria and Central and Eastern Europe. We know our domestic markets in the heart of Europe and are firmly established in them.

We intend to increase the number of our customers to 15 million by 2020. We will do this by concentrating on our core business as a primary insurer in our two core markets of Austria and Central and Eastern Europe (CEE). In the past financial year, UNIQA acquired 0.6 million new customers. Most of them are in the CEE region. We thus served 9.3 million customers in 2013. This figure does not yet include the 180,000 customers who have joined us following the acquisition of the Baloise Group.

We know our core markets and are firmly established there. We are a long-term investor – not only in Austria, but also in the CEE region. We firmly believe in the potential of the CEE countries and intend to grow along with their economies. We are well positioned to exploit this growth.

Austria: Strong foundations in our domestic market

UNIQA is the second-largest insurance group in the country, with a market share of 22 per cent in terms of premium volume. In the strategically important health insurance segment, UNIQA remains the undisputed number 1 with a market share of around 48 per cent. We continued to pursue our goal of getting even closer to our customers by expanding our network to 410 service centres working under the “UNIQA” brand. Our products under the “Raiffeisen Insurance” brand are marketed by Austria’s largest banking group, the Raiffeisen Group, which has more than 2.8 million customers. This means we have the country’s most extensive network of bank branches on our side.

With a spontaneous recognition of 76 per cent and an aided recognition of 98 per cent, UNIQA is Austria’s best known insurance brand. Raiffeisen Insurance benefits from the enormous power of the Raiffeisen brand, whose spontaneous recognition of 81 per cent makes it the strongest banking brand in the country. Both brands – UNIQA and Raiffeisen – were voted the most trustworthy brands in their respective sectors in Austria by consumers in 2012 (with UNIQA receiving the accolade for the tenth consecutive time).

CEE: Well-positioned for further growth

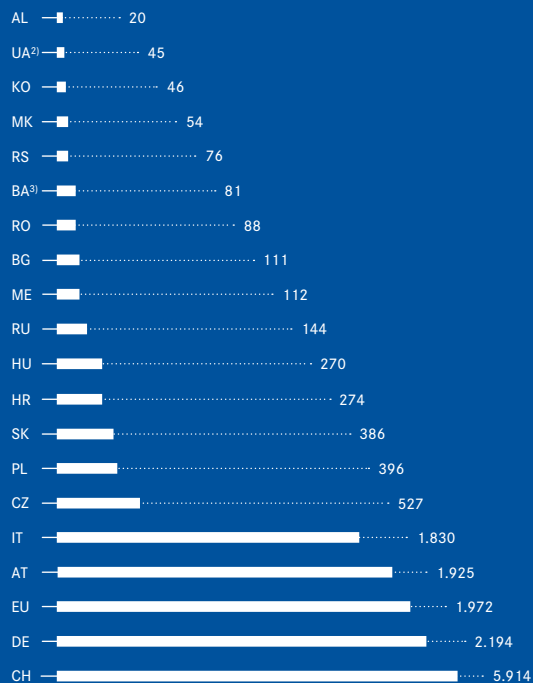
UNIQA has subsidiaries in 15 countries in the CEE region, operating around 1,450 service centres. Slovenia is served from Austria. We are the market leader in Albania, the number two in Ukraine, Montenegro, Bosnia and Herzegovina and Kosovo, and are among the top five in four other markets – Slovakia, Serbia, Macedonia and Romania. We also cooperate with our partner Raiffeisen in CEE. The preferred partnership agreement we entered into in June allows us to work together with the subsidiaries of Raiffeisen Bank International, which have more than 3,000 branches and a total of more than 14 million customers, in 14 of our markets. We have acquired the Baloise Group’s insurance companies in Croatia and Serbia in order to strengthen our market presence in Southeastern Europe.

We are pursuing a unified brand strategy in the CEE region. We operate in twelve countries



Growth potential in CEE

Annual premiums per capita in €¹⁾



¹⁾ Based on 2012 data

²⁾ UA calculation based on estimated data for 2012 excl. Kremeny & Lemna

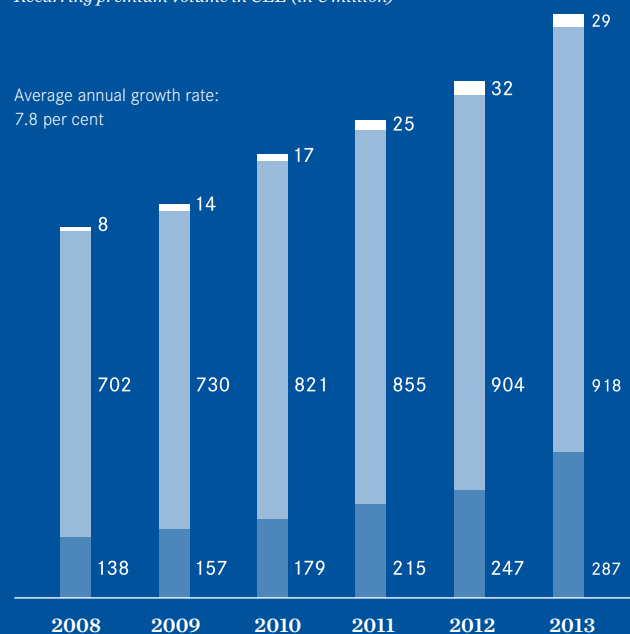
³⁾ Excl. Republika Srpska

Source: Sigma 03/2013, Business Monitor

Profitable growth in Central and Eastern Europe

Recurring premium volume in CEE (in € million)*

Average annual growth rate:
7.8 per cent



* Premiums including the savings portion of unit- and index-linked life insurance, excluding single premiums

● Health insurance
● Property and casualty insurance
● Life insurance

under the UNIQA brand. In Albania and Kosovo, we use the “Sigal UNIQA Group Austria” brand. In Russia, we use solely bank distribution and operate under the “Raiffeisen Life” brand.

Our core markets in the CEE region continue to offer major growth potential. A competitive export industry, flexible labour markets, investment-friendly tax and wage systems, low labour costs and skilled employees ensure economic growth that will outpace that of Western Europe in the long term.

In addition, there is a significant need to catch up with regard to insurance products. This becomes apparent when you compare per-capita spending in this area, or the insurance density, as it is called. Whereas an Austrian invests an average of € 1,925 annually in insurance security, the corresponding per-capita spend on coverage in Albania is a meagre € 20. It is € 45 in Ukraine and € 270 in Hungary. Although conditions are challenging in some countries, such as Ukraine and Romania, we are convinced of the importance of standing by our customers and employees especially in difficult times. We see the CEE economic area with its population of around 300 million as our natural growth region not only for the next five years, but for the next 50 years.

At home in Austria and in the CEE region

We are at home in Austria and in the CEE region. These are UNIQA’s core markets. And we are focusing on these markets. We are a long-term investor. We are here to stay with the aim of growing sustainably together with our customers and the region, thereby creating shareholder value.

Regions/countries	Market position	Market share*	Change in market share**
AUSTRIA	2	22.2	+0.6
CENTRAL EUROPA			
Poland	10	2.7	+0.3
Slovakia	5	5.0	+0.1
Czech Republic	6	4.1	+0.1
Hungary	6	7.5	+0.4
EASTERN EUROPE			
Romania	5	7.1	+1.5
Ukraine	2	3.4	-0.6
SOUTHEASTERN EUROPE			
Albania	1	37.5	+5.1
Bosnia and Herzegovina	2	12.5	+1.0
Bulgaria	7	6.7	-0.3
Kosovo	2	14.0	+0.8
Croatia	10	3.1	+0.6
Macedonia	5	9.7	+2.2
Montenegro	2	16.3	+2.3
Serbia	5	7.3	+0.3
RUSSIA***	10	3.3	0.0

* Market share: figures in per cent **Change in market share: figures in percentage points *** Market position in life insurance

We are UNIQA

*Our aim is to be successful as a team – and to deliver optimal results.
This is why we are focusing on expertise and commitment.*

In 2013, our 22,000 employees and exclusive sales partners worked hard to implement our UNIQA 2.0 strategic programme – and enjoyed great success in doing so. We are committed to UNIQA's success. In order to achieve this, we initiated a range of initiatives in 2013.

Striving for excellence

The implementation of the UNIQA 2.0 strategy requires the targeted training and further education of our employees and managers. In 2013, UNIQA launched a Group-wide leadership development programme aimed at further expanding the expertise of its management team. 150 of our top employees will complete this programme over the next three years. In 2013, 70 managers successfully started the leadership programme. We are furthering the professional qualifications and knowledge of our employees through new training formats and additional training days both in Austria and at our international locations. Advancing and motivating our employees and strengthening their skills is an important strategic lever in achieving our goals. (Number of training days increased by up to 50 per cent.)

Taking the pulse of the Group

Employee feedback is hugely important to us. To this end, the “UNIQA 2.0 Sensor” employee survey was carried out in Austria in October 2013. The online survey provides an insight into the extent to which the UNIQA 2.0 strategic programme is already integrated within the company at present. The results show that our employees are familiar with the objectives of UNIQA 2.0 and that the measures in the areas of communication and management development are having a particularly positive impact. The feedback from our employees also shows where there is room for improvement and will help us to define and realise appropriate measures. Above all, there is still potential for improvement when it comes to cooperation between the departments. This is an area where we must improve further – and we will.

Achieving a healthy work-life balance

For parents who work, needs-oriented, respectful childcare is a basic requirement for a successful professional life. However, finding a solution that is satisfactory to all concerned is not always easy. It requires great flexibility and is extremely time-consuming. Accordingly, UNIQA is working together with the external partner KibisCare. KibisCare provides a comprehensive childcare service that makes parents' lives easier and supports them in their day-to-day work. The proportion of women in Management Board positions and senior executive roles is currently 17 per cent across the Group as a whole and 25 per cent in the international area.

We believe that the ability to combine a career with family life is a key issue when it comes to increasing the proportion of female managers. Flexible working hours and teleworking models are established elements of UNIQA's human resources policy. In 2013, 12 per cent of employees in Austria took the option of working part-time, while 8 per cent used teleworking.

Health and fitness

The newly created “UNIQA Freiraum” offers a wide range of health-related and sporting activities. Regular information and campaigns on healthy eating, sport and exercise and physical relaxation and the varied offerings of the UNIQA sport club help our employees to stay fit, as well as promoting a spirit of cooperation.

Our employees' social commitment

We aim to provide our employees with a working environment that is characterised by mutual respect. Social commitment is a fixed element of the corporate culture at UNIQA. This includes encouraging all employees to give something back to society and help people or institutions that provide aid. The UNIQA Social Day, which was launched in 2013 for employees at the Group's head office, gives each employee one workday on which to support a charitable institution of their choice. We are delighted by how well this initiative has been received and, in particular, by the level of dedication shown by the UNIQA team.

Investing in the future

UNIQA is committed to promoting young talents. To achieve our ambitious goals, we need the best people. Since 2013, we have cooperated with various universities on initiatives including the “WU Top League” high-potential programme at the Vienna University of Economics and Business and the “TU the Top” programme at the Vienna University of Technology.

UNIQA 2.0 Sensor 2013: Employee survey



3,308

employees took part in the survey in Austria. UNIQA 2.0 Sensor is extremely important to the company. It illustrates the progress of the change process and its integration within the individual segments.



92%

are familiar with the objectives of the UNIQA 2.0 strategic programme.



86%

of those surveyed were familiar not only with the objectives of the programme, but also with the related operational measures.



85%

of participants stated that senior management keeps them regularly informed about developments in UNIQA 2.0.



86%

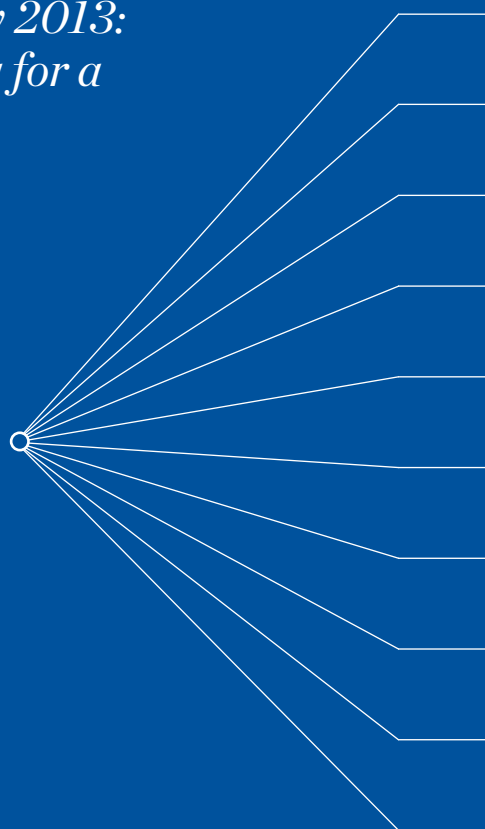
of those surveyed are fully behind the strategic programme. They see UNIQA 2.0 as an extremely important step in maintaining UNIQA's long-term competitiveness and securing the Group's future.

UNIQA Social Day 2013: Employees working for a good cause



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of the approximately 1,700 employees at the Group's head office worked on social projects for one day in 2013. The organisations for which they worked included the following:



Wiener Tafel An association that provides people in social facilities with high-quality food every day.

Gruft A Catholic charity that makes a crypt available as a safe shelter for homeless people.

Sterntalerhof An institution that supports the families of seriously, chronically and terminally ill children.

Pro Juventute An organisation that provides children in need with a new home at residential facilities with educationally trained staff.

SOS Kinderdorf An association that helps children in need around the world and gives them a new home.

Pfarrcaritas The rectories in the Archdiocese of Vienna provide a warm place for people looking to shelter from the cold.

World Vision An aid organisation that promotes development cooperation and provides humanitarian aid and advocacy work

Aktion Leben A private association that works to protect human life.

Diakonie Österreich 170 refugees receive comprehensive care and support at the Rossauerlände refugee home.

Sozialmarkt Wien A supermarket for socially vulnerable people with three locations in Vienna.

Taking responsibility

Transparency and responsibility guide our actions and behaviour, and hence our success

There are not many sectors where sustainability is clearly such an integral part of business as it is in the insurance sector. For more than 200 years, the most important task of UNIQA and its predecessors has been to give people peace of mind. Above all else, for UNIQA sustainability means taking responsibility on the basis of a clear, transparent governance system in three areas: economic, social and ecological. We created the necessary structures in 2012 and continued to implement three important projects in 2013:

1. Analysing long-term options and risks

As an insurance company, we promise our customers long-term services. This means that UNIQA needs to have a clear view of future developments. For this reason, we started analysing the long-term options and risks of our business units in 2012. In doing so, we monitor technological, socioeconomic, regulatory and economic trends along with their short-term and long-term impact on UNIQA. The results of these analyses are incorporated into our strategic planning and taken into account when defining the UNIQA Group's core projects. The topics include innovations in the area of passenger car safety, the changing lifestyles of our customers, and developments such as connectivity, digitalisation and networking.

2. Clearly defining tasks and responsibilities

Strategic objectives can only be achieved if there are clearly defined management roles in terms of responsibility and expertise within the company. In 2012, we adopted a structured governance model that defines the tasks and responsibilities of the Management Board and Supervisory Board and determines the company's strategic and operational development. In the past financial year, we further improved these regulations in order to accelerate decision-making processes and enhance transparency. As part of our preparations for Solvency II, 2013 also saw the development of a detailed governance model for UNIQA's international organisational units. This model is scheduled for implementation in the first half of 2014.

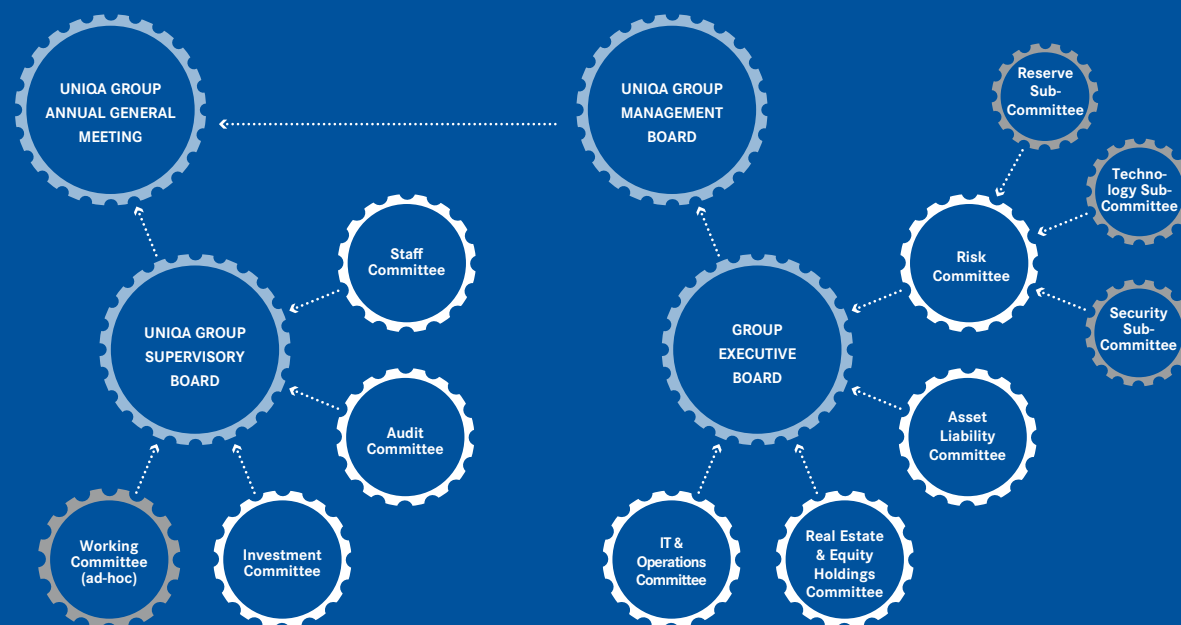
Since 2013, the core topics at the Group have been managed via the following operationally oriented committees: Risk, Asset Liability Management, Equity Holdings & Real Estate and IT & Operations. The Risk Committee has three sub-committees: the Technical Committee for actuarial accounting policies, the Security Committee for topics relating to information security and physical security, and the Reserve Committee for the analysis and assessment of claim reserves.

3. Making the Code of Conduct transparent and suitable for day-to-day use

Having been developed in the previous year, in 2013 the Code of Conduct was introduced and implemented at all levels of our company with a focus on transparency and suitability for day-to-day use.

The Code of Conduct governs how employees deal with each other and how they interact with customers and business partners. It also governs the correct conduct for accepting and giving

The governance model



Initiatives and certificates 2013



UNIQA Mobile Health Care Truck

UNIQA is setting new standards in operational health management with its innovative, exclusive truck. The "rolling health centre" allows companies to offer their employees on-site health checks. Specialist staff and doctors of various disciplines ensure that all examinations run smoothly.



GreenBuilding certification

In 2008, the UNIQA Tower became the first new office building in Austria to officially receive the EU GreenBuilding certificate. In April 2012, the building was also recognised by the U.S. Green Building Council LEED (Leadership in Energy and Environmental Design) for meeting standards in terms of environmentally friendly, resource-efficient and sustainable construction.



"Green Power" certification

UNIQA purchases 100 per cent of its electricity from providers with the "Green Power" label. This signifies that power is generated sustainably, and hence in an environmentally friendly manner. Green power is required to consist of 79 per cent hydropower as well as biomass, geothermal, solar and wind power and at least one per cent photovoltaic power.



Conscious selection of suppliers

In accordance with the Group's mission statement, decisions on the award of contracts are taken not only on the basis of economic and process-related criteria, but also in accordance with social and ecological aspects. In addition to providing optimal quality at the best price, UNIQA therefore also expects its suppliers to comply with the law and social norms without exception.



UNIKATE: Call for ideas

The aim of the competition launched by UNIQA and the Austrian Working Committee for Rehabilitation is to close gaps in aid provision. Students are given the opportunity to realise their ideas concerning personal accessibility as prototypes as part of the theses or final papers for their degree, thereby helping to create customised solutions for people with disabilities.



UNIQA is a member of the Raiffeisen Climate Protection Initiative.

business gifts, secondary employment, donations, anti-discrimination, protecting the privacy of our customers, and more besides. One important aspect is the prevention of corruption and money laundering. UNIQA's Code of Conduct is committed to promoting transparency and honest and ethical business practices, as well as the correct way of dealing with confidential information and strict adherence to competition regulations.

To ensure that the values set out in our Code of Conduct are integrated within the UNIQA team to the greatest possible extent, around 150 managers participated in national and international compliance training programmes in 2013.

Sustainability in practice

Sustainably means much more to us than merely sponsoring social initiatives or environmental projects. Both of these things are important to us, however, and UNIQA supports various initiatives in Austria and Central and Eastern Europe. Examples include the Wirtschaft für Integration association, Wiener Hilfswerk, Caritas Austria, the "Journey for the Dream" foundation and promoting sports at school in different ways in numerous countries.

Vital4Brain: We have been supporting the Vital4Brain project since 2012. This is a programme in which schoolchildren carry out simple but effective movement exercises during the school day. In addition to creating a more relaxed atmosphere in the classroom, it also promotes concentration and good health. UNIQA supports the initiative with non-cash assistance and sponsorship and by training VitalCoaches throughout Austria (www.vital4brain.at).

Ecological responsibility

We are aware of our responsibility to the environment. We are setting an example with our new company car directive. Our new company cars are responsible for significantly lower CO₂ emissions than conventional vehicles. UNIQA employees can also opt for an electric car or do without a company car altogether, with the company instead making a contribution to their public transport passes.

UNIQA shares

The UNIQA shares are on an upward trend following the successful re-IPO, in which we strengthened our equity considerably and created strategic flexibility for further growth with issue proceeds of € 757 million.

The price of the UNIQA shares on the prime market of the Vienna Stock Exchange fell by 5.9 per cent to € 9.28 in 2013. In the same period, Vienna's leading index ATX gained 6.1 per cent, while the benchmark Euro Stoxx Insurance index rose by 33.2 per cent. In October 2013, the UNIQA Group implemented a capital increase (re-IPO) as part of its UNIQA 2.0 strategic programme, generating gross proceeds of € 757 million. We placed a total of 94,752,100 new shares with Austrian and international investors at a price of € 8.00 per share. The re-IPO increased the share capital of UNIQA Insurance Group AG to € 309,000,000 and led to a significant increase in UNIQA's free float to 35.4 per cent. The corresponding sharp rise in the shares' liquidity led to their inclusion in the leading index in Vienna, the ATX, in March 2014. With the issue proceeds of € 757 million, we have strengthened our equity considerably while creating strategic flexibility for future growth. The price of the UNIQA share rose steadily following the re-IPO, climbing by around 11.8 per cent to € 9.50 as of the end of February 2014 and outperforming the EURO STOXX Insurance Index in the same period.

Key figures for UNIQA shares	2013	2012	2011	2010	2009
Figures in €					
UNIQA's share price on 31 December	9.28	9.86	9.42	14.70	12.97
High	11.14	13.40	16.50	15.34	18.86
Low	8.12	8.75	9.00	10.68	12.21
Average turnover/day (in € million)	1.5	0.1	0.1	0.5	0.5
Market capitalisation as at 31 December (in € million)	2,867.5	2,112.5	1,346.9	2,102.0	1,855.0
Earnings per share	1.20	0.75	-1.73	0.30	0.19
Dividend per share	0.35 ¹⁾	0.25	0	0.40	0.40

¹⁾ Proposal to the Annual General Meeting

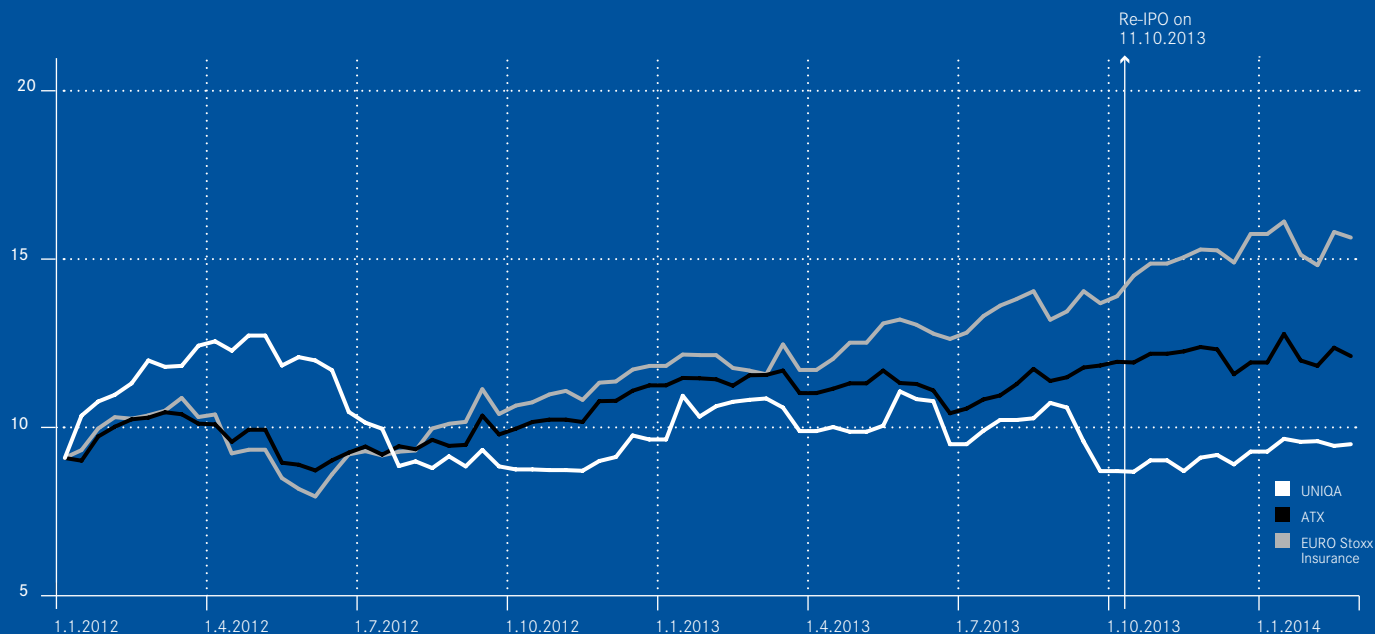
Shareholder structure

The UNIQA shareholder structure changed substantially in 2013 as a result of the re-IPO. The free float has become considerably more important, rising from less than 10 per cent to 35.4 per cent. Raiffeisen Zentralbank (Group) now holds 31.4 per cent of the shares in UNIQA (BL Syndikat Beteiligungs Gesellschaft m.b.H. 22.8 per cent, RZB Versicherungsbeteiligung GmbH 5.3 per cent, UQ Assekuranz Holding GmbH 3.3 per cent), Austria Privatstiftung (Group) holds 30.6 per cent (Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH 23.7 per cent, Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung 6.9 per cent), and Collegialität Versicherungsverein Privatstiftung holds 2.3 per cent. Treasury shares account for 0.3 per cent of the UNIQA shares.

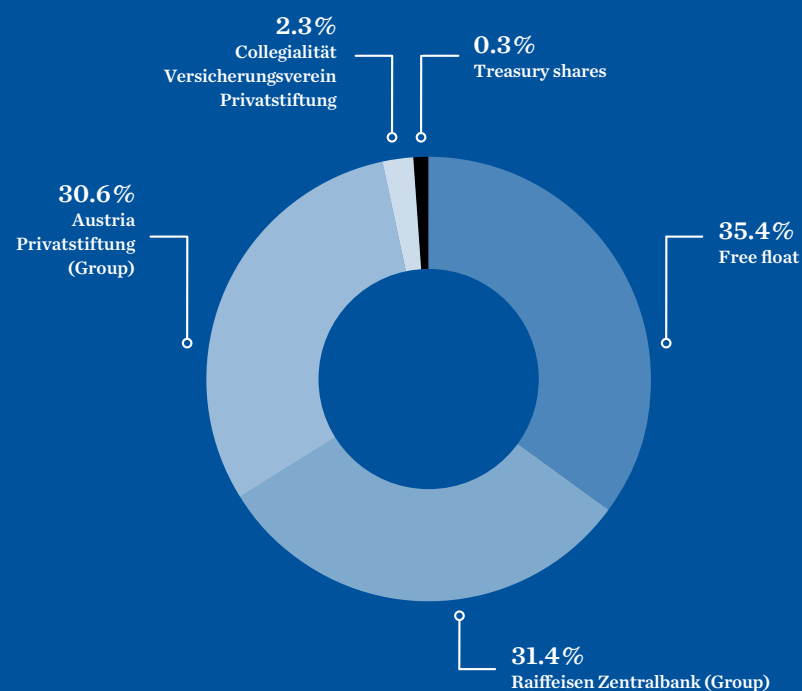
Share price performance

After opening at € 9.89 on 2 January 2013, the shares reached a high for the year of € 11.14 on 19 February 2013. The share price fell sharply following the announcement of the planned capital increase, recording a low for the year of € 8.12 on 2 October 2013.

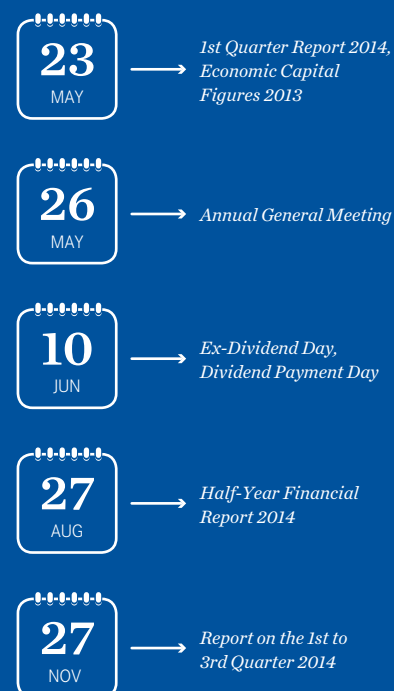
Development of UNIQA shares



Shareholder structure of UNIQA Insurance Group AG



Financial calendar 2014



The successful re-IPO marked the start of a steady upward trend, with the share price closing the year at € 9.28. The share price continued to rise in the first two months of 2014, climbing by a further 2.4 per cent to € 9.50. This meant that the UNIQA shares have achieved a performance of +11.8 per cent since the re-IPO in early October 2013.

Dividend distribution

We are committed to ensuring that UNIQA shareholders participate in the company's success to an appropriate extent. We aim to distribute between 40 and 50 per cent of consolidated profit as a dividend. Based on the single-entity financial statements of UNIQA Insurance Group AG, the Management Board will therefore propose to the Annual General Meeting the payment of a dividend of € 0.35 per dividend-bearing share for the 2013 financial year.

Dialogue with analysts and investors

We attach great importance to providing our shareholders and the entire financial community with regular, timely and comprehensive information about the ongoing development of the company. All reports and company information can be accessed online at www.uniqagroup.com. In addition, our investor relations team will be happy to answer individual questions.

Information on UNIQA shares

Ticker symbol	UQA
Reuters	UNIQ.VI
Bloomberg	UQA.AV
ISIN	AT0000821103
Market segment	Prime market of the Vienna Stock Exchange
Trading segment	Official trading
Indices	ATX, ATX Prime, ATX FIN, WBI
Number of shares	309,000,000

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

figures in €	Recommendation	Target price
Berenberg Bank (Sami Taipalus)	BUY	10.90
Deutsche Bank (Olivia Brindle)	HOLD	10.10
Erste Group Bank (Thomas Unger)	ACCUMULATE	10.20
J.P. Morgan (Michael Huttner)	NEUTRAL	11.35
Main First Bank (Michael Haid)	UNDERPERFORM	8.40
Morgan Stanley (Maciej Wasilewicz)	EQUAL-WEIGHT	9.90
Nomura (Michael Klien)	NEUTRAL	10.00
Raiffeisen Centrobank (Bernd Maurer)	BUY	10.90
UBS (James Shuck)	BUY	11.00

Corporate Governance Report Report of the Supervisory Board

Corporate Governance Report

Since 2004, UNIQA has undertaken to comply with the Austrian Code of Corporate Governance; it publishes its declaration of compliance both in the Group Report and in the Investor Relations section of its website, www.uniqagroup.com. The Austrian Code of Corporate Governance is also publicly available at www.corporate-governance.at.

Implementation and compliance with the individual provisions of the Code is evaluated annually by Univ. Prof. DDr. Waldemar Jud Corporate Governance Forschung CGF GmbH. Working primarily on the basis of a questionnaire, this institution examines whether the company complies with the Austrian Code of Corporate Governance as published by the Austrian Working Group on Corporate Governance. The report 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 declares its continued willingness to comply with the Austrian Code of Corporate Governance in the applicable version. Accordingly, it adheres to the Code's "L rules" (legal requirements) in full as required by law. However, UNIQA deviates from the provisions of the Code in the applicable version with regard to the following "C rules" (comply or explain) and hereby provides the following explanations:

Rule 49

Due to the shareholder structure of the UNIQA Group and the special nature of the insurance business with regard to the investment of insurance assets, there are a number of contracts with companies related to individual members of the Supervisory Board. To the extent that such contracts require approval by the Supervisory Board in accordance with section 95 (5) no. 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. In any case, all transactions are conducted at standard market conditions.

Rule 54

In connection with the capital increase (re-IPO) implemented in October 2013, the core shareholders undertook to elect two members independent of the core shareholders to the Supervisory Board at the 2014 Annual General Meeting.

COMPOSITION OF THE MANAGEMENT BOARD

Chairman

Andreas Brandstetter, CEO

1969*, appointed on 1 January 2002 until 31 December 2016

Responsible for:

- Investor Relations
- Group Communication
- Group Human Resources
- Group Internal Audit
- Group General Secretary

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

- Member of the Supervisory Board of Raiffeisen Zentralbank Österreich Aktiengesellschaft, Vienna (since 25 June 2013)
- Member of the Board of Directors of SCOR SE, France (since 25 April 2013)

Members

Hannes Bogner, CFO

1959*, appointed on 1 January 1998 until 31 December 2016

Responsible for:

- Group Finance
- Group Asset Management
- Group Legal Affairs
- Group Internal Audit

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

- Member of the Supervisory Board of Casinos Austria Aktiengesellschaft, Vienna (since 11 April 2013)
- Member of the Supervisory Board of CEESEG Aktiengesellschaft, Vienna (since 13 June 2013)
- Member of the Supervisory Board of Niederösterreichische Versicherung AG, St. Pölten (since 28 May 2013)
- Member of the Supervisory Board of Wiener Börse AG, Vienna (since 13 June 2013)
- Member of the Board of Directors of Takaful Emarat Insurance, UAE (until 6 December 2013)

Wolfgang Kindl

1966*, appointed on 1 July 2011 until 31 December 2016

Responsible for:

- UNIQA International

Thomas Münkel, COO

1959*, appointed on 1 January 2013 until 31 December 2016

Responsible for:

- Group OPEX
- Group Operations
- Group IT
- Group Project Office

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

- Member of the Supervisory Board of Raiffeisen Informatik GmbH, Vienna (since 1 July 2013)

Kurt Svoboda, CRO

1967*, appointed on 1 July 2011 until 31 December 2016

Responsible for:

- Group Finance Controlling
- Group Risk Management
- Group Asset Management (Back Office)
- Group Actuary
- Group Reinsurance
- Value Based Management
- Regulatory Management Solvency II
- Governance & Compliance
- Market Risk Management

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 then approved by the Supervisory Board. The rules of procedure regulate the disclosure and approval obligations of the Management Board members in respect of each other and the Supervisory Board. A catalogue of measures requiring the authorisation of the Supervisory Board is defined. The Management Board meets regularly (weekly) and 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 Chairmen of the Management Boards of UNIQA Österreich Versicherungen AG and Raiffeisen Insurance AG – Hartwig Löger and Klaus Pekarek – attend the meetings of the Management Board of UNIQA Insurance Group AG in an advisory capacity. The committee thus formed constitutes the Group Executive Board.

The Management Board informs the Supervisory Board at regular intervals and in a timely and comprehensive manner about all relevant questions of business development, including the risk situation and risk management at the Group. In addition, the Chairman of the Supervisory Board maintains regular contact with the Chairman of the Management Board and discusses the strategy, business development and risk management of the company with him.

COMPOSITION OF THE SUPERVISORY BOARD

Chairman

Walter Rothensteiner

1953*, appointed on 3 July 1995 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

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

1st Vice Chairman

Georg Winckler

1943*, appointed on 17 September 1999 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

- 1st Vice Chairman of the Supervisory Board of Erste Group Bank AG, Vienna

2nd Vice Chairman

Erwin Hameseder

1956*, appointed on 21 May 2007 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

- Vice Chairman of the Supervisory Board of AGRANA Beteiligungs-Aktiengesellschaft, Vienna
- Vice Chairman of the Supervisory Board of STRABAG SE, Villach
- 1st Vice Chairman of the Supervisory Board of Flughafen Wien Aktiengesellschaft, Vienna Airport
- 1st Vice Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna
- Member of the Supervisory Board of Südzucker AG Mannheim/Ochsenfurt, Mannheim

3rd Vice Chairman

Christian Kuhn

1954*, appointed on 15 May 2006 until the 16th Annual General Meeting (2015)

4th Vice Chairman

Günther Reibersdorfer

1954*, appointed from 23 May 2005 until 25 May 2009 and from 31 May 2010 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

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

5th Vice Chairman

Ewald Wetscherek

1944*, appointed on 17 September 1999 until the 16th Annual General Meeting (2015)

Members***Dr. Ernst Burger***

1948*, appointed on 25 May 2009 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

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

Peter Gauper

1962*, appointed on 29 May 2012 until the 16th Annual General Meeting (2015)

Eduard Lechner

1956*, appointed on 25 May 2009 until the 16th Annual General Meeting (2015)

Johannes Schuster

1970*, appointed on 29 May 2012 until the 16th Annual General Meeting (2015)

Supervisory Board appointments at domestic and foreign listed companies:

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

Assigned by the Central Employee Council***Johann-Anton Auer***

1954*, from 18 February 2008

Doris Böhm

1957*, from 7 April 2005 until 10 April 2013

Peter Gattinger

1976*, from 10 April 2013

Anna Gruber

1959*, from 15 April 2009 until 10 April 2013

Heinrich Kames

1962*, from 10 April 2013

Franz-Michael Koller

1956*, from 17 September 1999

Friedrich Lehner

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

The Supervisory Board of UNIQA Insurance Group AG held five meetings in 2013.

COMMITTEES OF THE SUPERVISORY BOARD

Committee for Board Affairs

- Walter Rothensteiner (Chairman)
- Georg Winckler (Vice Chairman)
- Erwin Hameseder
- Christian Kuhn

Working Committee

- Walter Rothensteiner (Chairman)
- Georg Winckler (Vice Chairman)
- Erwin Hameseder
- Christian Kuhn
- Günther Reibersdorfer
- Ewald Wetscherek

Assigned by the Central Employee Council

- Johann-Anton Auer
- Doris Böhm (member until 10 April 2013)
- Heinrich Kames (member since 10 April 2013)
- Franz-Michael Koller

Audit Committee

- Walter Rothensteiner (Chairman)
- Georg Winckler (Vice Chairman)
- Erwin Hameseder
- Christian Kuhn
- Günther Reibersdorfer
- Ewald Wetscherek

Assigned by the Central Employee Council

- Johann-Anton Auer
- Doris Böhm (member until 10 April 2013)
- Heinrich Kames (member since 10 April 2013)
- Franz-Michael Koller

Investment Committee

- Erwin Hameseder (Chairman)
- Georg Winckler (Vice Chairman)
- Eduard Lechner
- Günther Reibersdorfer

Assigned by the Central Employee Council

- Johann-Anton Auer
- Doris Böhm (member until 10 April 2013)
- Heinrich Kames (member since 10 April 2013)

THE WORK OF THE SUPERVISORY BOARD AND ITS COMMITTEES

The Supervisory Board advises the Management Board in its strategic planning and projects. It participates in the decisions 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.

The Supervisory Board has formed a Committee for Board Affairs for handling the relationships between the company and the members of its Management Board relating to employment and salary; this committee also acts as the Nominating Committee. The appointed Working Committee of the Supervisory Board is called upon for 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 at the next meeting of the Supervisory Board. As a matter of principle, the Working Committee decides on all issues that are the responsibility of the Supervisory Board; however, this excludes issues of particular importance or that are stipulated by law.

The Audit Committee of the Supervisory Board has the same members as the Working Committee and performs the duties assigned to it by law.

Finally, the Investment Committee advises the Management Board with regard to its investment policy; it has no decision-making authority.

At its four meetings, the Committee for Board Affairs dealt with the legal employment formalities of the members of the Management Board and questions relating to remuneration policies and succession planning.

At its two meetings, the Working Committee primarily addressed company strategy and the Group's capital increase (re-IPO), as well as fundamental considerations and resolutions concerning adjustments to the real estate investment policy. Two written resolutions were passed in connection with the re-IPO, while a further two decisions on steps to be taken were passed by circulation in writing on account of their urgency.

At its three meetings, the Audit Committee discussed all of the year-end closing documents, the Corporate Governance Report and the Management Board's proposal for the appropriation of profit, as well as planning for the audit of the 2013 annual financial statements of the Group companies and the results of preliminary audits. In particular, the Audit Committee was provided with the quarterly reports by Internal Audit on the areas audited and the significant findings based on the audits conducted.

At its three meetings, the Investment Committee discussed the capital investment strategy, questions concerning the capital structure, and the positioning 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 their committee.

For information regarding the activity of the Supervisory Board and its committees, please also refer to the statements in the Report of the Supervisory Board.

MEASURES TO PROMOTE WOMEN ON THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD AND IN SENIOR EXECUTIVE POSITIONS

Companies with considerable diversity in their management teams are more successful. Different nationalities and cultures and a mixture of women and men have a positive impact on cooperation at a management level.

UNIQA employs people from more than 30 nations at its headquarters in Vienna. UNIQA has developed into an international company that understands the needs of its employees and customers in the different countries it serves.

In 2013, the proportion of women on the Management Board and in senior executive positions throughout the Group improved slightly by one percentage point to 18 per cent. The figure for the international area remained at 25 per cent. Despite this moderate improvement, UNIQA needs and intends to improve further.

The ability to combine a career with family life, and the topic of childcare in particular, is a key factor in achieving this. For parents who work – and mothers in particular – good childcare is a basic requirement for a successful professional life. However, finding the right solution is not always easy. It requires great flexibility and is extremely time-consuming.

Accordingly, UNIQA works together with an external partner (KibisCare), which provides a comprehensive childcare service that makes parents' lives easier and supports them in mastering the balancing act between work and family on a day-to-day basis.

UNIQA is also committed to the principles of flexible working hours and teleworking. In 2013, 12 per cent of employees in Austria took the option of working part-time, while 8 per cent used teleworking.

In the area of management development, UNIQA is of the opinion that female-only development measures are considerably less promising than joint development measures for women and men alike. This makes cooperation more natural and easier to implement in day-to-day work.

When it comes to recruitment, UNIQA gives priority to female candidates where the candidates have the same qualifications.

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.

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. UNIQA has established the following points as additional criteria concerning 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 relationships that are material for said Supervisory Board member with the company or a subsidiary of the company. This also applies to business relationships with companies in which the Supervisory Board member has a significant economic interest but does not perform executive functions at the company.
- The Supervisory Board member should not have been an auditor of the partners or a shareholder or employee of the auditing company within the last three years.
- The Supervisory Board member should not be a Management Board member of another company in which a Management Board member of the company is a Supervisory Board member unless one of the companies is a member of the other company's group or holds a business interest in the 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 an entrepreneurial stake or who are representing the interests of a party with such a stake.

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

REMUNERATION REPORT

Remuneration of the Management Board and Supervisory Board

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

Figures in € thousand	2013	2012
Fixed remuneration ¹⁾	2,458	2,145
Variable remuneration	2,465	3,149
Current remuneration	4,923	5,294
Entitlements to termination payments	0	1,855
Total	4,923	7,149
Of which proportionally oncharged to the operative subsidiaries:	4,176	6,791
Former members of the Management Board and their surviving dependants received:	2,699	2,644
Provisions for pension commitments to these persons were recognised as follows as at 31 December:	24,408	23,818

¹⁾ The fixed salary components contain remuneration in kind in the amount of € 73,088 (2012: € 49,909).

The total remuneration paid to the Management Board is broken down among the individual members as follows:

Name of Management Board Members	Fixed remuneration	Variable remuneration ¹⁾	Total regular remuneration	Entitlements to termination payments	Total for the year 2013	Total for the year 2012
Figures in € thousand						
Andreas Brandstetter	607	557	1,164	0	1,164	986
Hannes Bogner	457	481	938	0	938	875
Wolfgang Kindl	457	443	900	0	900	852
Thomas Münkler (since 1.1.2013)	479	492	972	0	972	0
Kurt Svoboda	456	492	949	0	949	852
Hartwig Löger (until 31.12. 2012)	0	0	0	0	0	852
Gottfried Wanitschek (until 31.12.2012)	0	0	0	0	0	2,731
Total 2013	2,458	2,465	4,923	0	4,923	0
Total 2012	2,145	3,149	5,294	1,855	0	7,149

¹⁾ Including a provision for the long-term incentive in the amount of € 226,078.

In addition to the salaries listed above, the following pension fund contributions were paid to the members of the Management Board for existing pension commitments in the financial year. The equalisation payments arise for members who step down before the age of 65 based on the general funding of pension claims until the age of 65.

Pension fund contributions	Regular contributions	Equalisation payments	Total for the year
Figures in € thousand			
Andreas Brandstetter	84	0	84
Hannes Bogner	128	0	128
Wolfgang Kindl	119	0	119
Thomas Münkler	245	0	245
Kurt Svoboda	105	0	105
Total 2013	681	0	681
Total 2012	686	1,254	1,940

The remuneration paid to the members of the Supervisory Board for their work in the 2012 financial year was € 380,000. Provisions of €380,000 have been recognised for the remuneration of their work in the 2013 financial year. In 2013, a total of € 31,320 (2012: € 35,520) was paid out in attendance fees and cash expenditures.

Figures in € thousand	2013	2012
For the current financial year (provisions)	380	380
Attendance fees	31	36
Total	411	416

The total remuneration paid to the Supervisory Board (including attendance fees) is broken down among the individual shareholder representatives as follows:

Name of Supervisory Board member	Remuneration 2013	Remuneration 2012
Figures in € thousand		
Walter Rothensteiner	71	61
Georg Winckler	58	58
Erwin Hameseder	57	42
Christian Kuhn	51	51
Günther Reibersdorfer	50	48
Ewald Wetscherek	44	44
Ernst Burger	16	17
Peter Gauper	16	9
Eduard Lechner	23	24
Johannes Schuster	16	9

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

The information in accordance with section 239 (1) of the Austrian Commercial Code in connection with section 80b of the Austrian Insurance Supervisory Act, which must be included in the notes as mandatory information for IFRS financial statements to release the company from the requirement to prepare financial statements in accordance with the Austrian Commercial Code, is defined for the single-entity financial statements according to the provisions of the Austrian Commercial Code with expanded scope. In addition to the executive functions (Management Board) of UNIQA Insurance Group AG, the single-entity financial statements also include the remuneration of the Management Boards of the subsidiaries insofar as there is a legally binding basis under contract law with UNIQA Insurance Group AG.

Principles for profit participation by the Management Board

A variable remuneration component is made available to the members of the Management Board in the form of bonus agreements if they meet certain defined prerequisites for entitlement. This bonus is granted as a one-time payment based on the earnings situation.

Starting from the 2013 financial year, the system used to calculate the variable portions of the remuneration of the Management Board has been changed in conjunction with the extension of the Management Board mandates. By means of a short-term incentive (STI), a one-time payment is made if certain defined prerequisites for entitlement are met based on the earnings situation and agreed individual targets for each financial year. A long-term incentive (LTI) is also agreed as share-based remuneration with cash settlement. This provides for one-time payments after a term of four years depending on the performance of UNIQA's shares, ROE and total shareholder return based on annual virtual investment amounts in UNIQA shares. Upper limits are agreed. Linking the LTI to an annual

obligation on the part of the Management Board members to invest in UNIQA shares subject to a retention period of four years is being considered. The system complies with Rule 27 of the Austrian Code of Corporate Governance.

**Principles for the pension scheme provided by the company
for the Management Board and its prerequisites**

Retirement pensions, a pension for occupational disability, as well as a widow's and orphan's pension have been agreed. The corresponding pension entitlements are managed by Valida Pension AG. As a matter of principle, the retirement pension is due when the beneficiary meets the requirements for receiving an old-age pension in accordance with the Austrian General Social Security Act. In the event of earlier retirement, the pension claim is reduced. For occupational disability pensions and pensions for surviving dependants, basic amounts are provided as a minimum pension.

The pension fund at Valida Pension AG is financed by UNIQA through ongoing contributions for the individual members of the Management Board. Equalisation payments to Valida Pension AG are due if members of the Management Board step down before the age of 65 (imputed contribution payment duration to prevent excess financing).

**Principles for vested rights and claims of the Management Board
of the company in the event of termination of their position**

Severance payments have been agreed based partially on the provisions of the Austrian Salaried Employee Act. The agreed termination packages on the occasion of premature termination of the work of a Management Board member comply with the criteria set out in Rule 27a of the Austrian Code of Corporate Governance. The benefits are fundamentally retained in the event of termination of membership of the Management Board; however, a reduction rule applies.

Supervisory Board remuneration

The remuneration paid to the Supervisory Board is approved at the Annual General Meeting as a total amount for the work done in the past 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

Directors' & officers' (D&O) insurance and, in connection with the implementation of the re-IPO in 2013, public offering of securities insurance (POSI) have been concluded for the members of the Management Board, the Supervisory Board and senior executives. The costs are paid by UNIQA.

RISK REPORT, DIRECTORS' DEALINGS

A comprehensive risk report (Rule 67) is included in the notes to the consolidated financial statements beginning on page 70. The notifications concerning directors' dealings in the year under review (Rule 73) can be found in the Investor Relations section at www.uniqagroup.com.

Vienna, 25 March 2014




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

Ladies and Gentlemen,

For UNIQA, 2013 was again dominated by the UNIQA 2.0 long-term strategic programme. One particularly important event was the successful capital increase (re-IPO) in October, which generated proceeds of € 757 million and significantly increased UNIQA's free float.

Under the UNIQA 2.0 strategic programme, UNIQA has set itself the objective of expanding its customer base to 15 million by 2020 and increasing earnings before taxes by up to € 400 million compared with 2010. The company is concentrating on its core activities and targeting profitable business in Austria and profitable growth in Central and Eastern Europe. UNIQA is well on schedule to fulfil these ambitious targets.

Activity of the Supervisory Board

During 2013, the Supervisory Board was regularly informed by the Management Board of business developments and the situation at UNIQA Insurance AG, which has traded under this new name since July 2013, 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 and written reports to the Supervisory Board. 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. In 2013, two special seminars were held on topics relating to the new regulations of Solvency II.

Focus of the meetings

The meetings focused on the Group's earnings situation and its further strategic development. The Supervisory Board held five meetings in 2013.

At the meeting on 21 February, the Supervisory Board primarily discussed the Group's preliminary figures for the 2012 financial year and the first developments in the 2013 financial year.

The Supervisory Board meeting on 10 April focused on the annual financial statements and consolidated financial statements for the year ended 31 December 2012 and the Management Board's report on Group developments during the first quarter of 2013. It also fundamentally approved the issue of a hybrid capital bond to settle the supplementary capital issues by UNIQA Insurance Group AG and UNIQA Österreich Versicherungen AG with a total nominal volume of € 200 million that were scheduled for repayment in 2013. The Supervisory Board also discussed the agenda for the 14th Annual General Meeting on 27 May 2013.

At its meeting on 16 May, the Supervisory Board discussed the Group's development in the second quarter of 2013 to date and approved the restructuring of UNIQA International AG's subsidiaries in Italy and Switzerland. The meeting was also informed about the imminent appointment of a Management Board member at UNIQA Österreich Versicherungen AG.

On 16 September, the Supervisory Board discussed the Group's earnings situation in the first half of 2013, developments in the third quarter of 2013 to date and the forecast for the 2013 financial year. It also discussed the planned capital increase (re-IPO) of UNIQA Insurance Group AG in detail and authorised the Working Committee to pass all necessary resolutions in connection with this matter. The Supervisory Board was informed about M&A activities at UNIQA International AG. The Working Committee was authorised to take any decisions on measures in connection with this matter.

In addition to reporting on the Group's results for the first three quarters of 2013 and planning for the 2014 financial year, the Supervisory Board evaluated its own activities in accordance with the Austrian Code of Corporate Governance at its meeting on 13 November. The Supervisory Board also approved the issue of intragroup hybrid capital by UNIQA Österreich Versicherungen AG and Raiffeisen Versicherung AG and the concentration of the Group companies' reinsurance operations at UNIQA Re AG, Zurich. The strengthening of UNIQA Re AG's equity base was also approved in connection with this matter.

Committees of the Supervisory Board

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

The Working Committee held two meetings in the past financial year. The re-IPO was resolved on 23 September on the basis of the authorisation granted by the full Supervisory Board. At its meeting on 12 December, the Working Committee addressed fundamental considerations and resolutions concerning adjustments to the real estate investment policy.

Two implementation resolutions for the re-IPO were passed by the Working Committee by way of circulation in writing on 9 and 17 October 2013. In October 2013, the submission of a binding offer for the acquisition of the subsidiaries of Baloise Holding AG in Croatia and Serbia was approved by circulation in writing. In July 2013, the Working Committee also approved the detailed conditions of the hybrid capital issue with a nominal volume of € 350 million.

At its four meetings, the Committee for Board Affairs dealt with the legal employment formalities of the members of the Management Board and with questions regarding remuneration policies and succession planning.

At its three meetings, the Investment Committee discussed the capital investment strategy, questions concerning the capital structure and the positioning of risk and asset liability management.

The Audit Committee met three times in the 2013 financial year in the presence of the auditor of the (consolidated) financial statements. The meeting on 10 April discussed all of the year-end closing documents and the Management Board's proposal for the appropriation of profit. The meeting on 16 May discussed planning for the audit of the financial statements of the Group companies of UNIQA Insurance Group AG for the 2013 financial year. The auditor informed the meeting on 13 November about the results of its preliminary audits to date. A report by the auditor on its assessment of the functionality of the risk management system was acknowledged. In particular, the Audit Committee was provided with the quarterly reports by Internal Audit on the areas audited and significant findings based on the audits conducted.

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

Single-entity and consolidated financial statements

The single-entity financial statements prepared by the Management Board and the management report of UNIQA Insurance Group AG and the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the Group management report for 2013 were audited by PwC Wirtschaftsprüfung GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and issued with an unqualified audit opinion.

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

The consistency check of the Corporate Governance Report in accordance with section 243b of the Austrian Commercial Code, as well as an evaluation of UNIQA's compliance with the provisions of the Austrian Code of Corporate Governance in the 2013 financial year, was performed by Univ. Prof. DDr. Waldemar Jud Corporate Governance Forschung CGF GmbH. The results indicated that UNIQA complied with the provisions of the Austrian Code of Corporate Governance in the 2013 financial year to the extent that these were included in the declaration of compliance.

The Supervisory Board approved the consolidated financial statements and the single-entity financial statements of UNIQA Insurance Group AG and endorsed the Group management report and the management report. The 2013 annual financial statements are thereby adopted in accordance with section 96 (4) of the Austrian Stock Corporation Act.

The Supervisory Board examined and approved the proposal for the appropriation of profit submitted by the Management Board. Accordingly, a dividend distribution of € 0.35 per share will be proposed to the Annual General Meeting on 26 May 2014.

The Supervisory Board would like to thank all employees of the UNIQA Group for their immense personal commitment during the past financial year.

Vienna, April 2014

On behalf of the Supervisory Board



Walter Rothensteiner,
Chairman of the Supervisory Board