



UNIQA Re AG

Financial Condition Report 2019

CONTENT

| | |
|--|----|
| SUMMARY | 4 |
| 1. BUSINESS ACTIVITIES | 6 |
| 1.1. Business strategy | 6 |
| 1.2. Group affiliation | 7 |
| 1.3. Major shareholders | 7 |
| 1.4. Major branches..... | 8 |
| 1.5. External auditor | 8 |
| 1.6. Significant unusual events | 8 |
| 2. PERFORMANCE | 9 |
| 2.1. Underwriting result | 10 |
| 2.2. Financial result | 12 |
| 2.3. Interest expenses for interest-bearing liabilities | 13 |
| 2.4. Other income and expenses | 13 |
| 3. CORPORATE GOVERNANCE AND RISK MANAGEMENT | 13 |
| 3.1. Corporate governance | 13 |
| 3.2. Risk management | 15 |
| 4. RISK PROFILE..... | 19 |
| 4.1. Insurance risk | 20 |
| 4.2. Market risk | 21 |
| 4.3. Credit risk | 22 |
| 4.4. Operational risk | 23 |
| 4.5. Other significant risks | 24 |
| 5. VALUATION | 24 |
| 5.1. Market-consistent asset valuation | 24 |
| 5.2. Market-consistent valuation of provisions for insurance obligations | 27 |
| 5.3. Market Value Margin | 30 |
| 5.4. Market-consistent valuation of other liabilities | 31 |
| 6. CAPITAL MANAGEMENT | 31 |
| 7. SOLVENCY | 33 |
| 7.1. Models | 33 |
| 7.2. Target capital..... | 34 |
| 7.3. Risk-bearing capital..... | 36 |
| 7.4. Solvency ratio..... | 37 |

| | |
|---|----|
| 8. APPENDICES | 38 |
| 8.1. List of figures and tables | 38 |
| 8.2. List of abbreviations | 39 |
| 8.3. Report of the statutory auditors to the general meeting on the annual financial statements | 40 |
| 8.4. Quantitative template "Performance Solo Reinsurance" | 61 |
| 8.5. Quantitative template "Market-consistent Balance Sheet Solo" | 64 |
| 8.6. Quantitative template "Solvency Solo" | 66 |

SUMMARY

This report serves to fulfil the regulatory requirements set out in FINMA Circular 2016/02 "Disclosure - insurers" and describes corporate governance, risk/capital management and the solvency of the company in addition to its business activities and performance. The reporting period covers the 2019 financial year from 1 January 2019 to 31 December 2019. The annual report is deemed to be the statutory single-entity financial statements of UNIQA Re AG (UNIQA Re).

In Chapter 1 **Business activities** we present UNIQA Re and its business model. As an internal reinsurer, UNIQA Re focuses its business activities on all operative insurance companies in the UNIQA Group. The gross premium earned by UNIQA Re in 2019 amounted to EUR 1,077.7 million (EUR 1,036,1 million in 2018) and is largely dominated by non-life reinsurance from the core markets of Austria and Central and Eastern Europe. As at 31 December 2019, 100% of the shares of UNIQA Re was owned by the UNIQA Insurance Group AG, based in Vienna. The main shareholders of UNIQA Insurance Group AG are the UNIQA Versicherungsverein Privatstiftung Group (49.0%), Raiffeisen Bank International AG (10.9%) and Collegialität Versicherungsverein Privatstiftung (2.8%).

The most important figures relating to premium income, claims expenditure and investment performance are discussed in more detail in Chapter **Fehler! Verweisquelle konnte nicht gefunden werden. Performance**. In 2019, the assumed business has earned a profit before administrative expenses of EUR 73.4 million (6.8%). In the previous year, a loss of EUR -33.9 million (-3.3%) had been experienced. An unprecedented sequence of large losses in the property segment was responsible for the loss in the last financial year. In 2019, large losses did not occur in the same size and frequency. Also, the base claims level at the UNIQA business units improved due to the restructuring measures of the recent years. A Nat Cat event with snow pressure losses mainly in Austria was the largest loss in the business year (gross loss amount EUR 40.5 million, ceded to UNIQA Re EUR 30.0 million, retrocession recovery EUR 23.0 million). Furthermore, the claims expenditure was balanced through the retrocession covers that UNIQA Re places on the open market for the UNIQA Group. Therefore, the net underwriting result after settlement with reinsurers and after own costs was positive at EUR 57.1 million (previous year: EUR 3.1 million). The non-technical result amounted to EUR 17.5 million (previous year EUR 19.9 million). In total, earnings from ordinary activities before taxes amounted to EUR 74.6 million (previous year: EUR 23.0 million).

As described in Chapter 3 **Corporate Governance and Risk Management**, the risk management system plays an important role as a component of the governance system. It defines responsibilities, processes and general rules that enable UNIQA Re to manage its risks efficiently and effectively. The clear objective is to incorporate the knowledge gained from the risk management system - from risk identification to risk assessment - into strategic and key corporate decisions. To achieve this goal the process for the company's own risk and solvency assessment (ORSA) also plays an important role.

Chapter 4 **Risk profile** describes the risk profile of UNIQA Re. Market, insurance and credit risks are quantified in accordance with the requirements of FINMA circular 2017/03 "SST". The underlying risk measure is the 99% tail value at risk over a time horizon of one year. The risk profile is dominated by the insurance risk (centered) with a capital requirement of EUR 212.9 million, which mainly results from the large portfolio of non-life reinsurance treaties. At EUR 79.2 million, the second highest capital requirement is market risk (centered), which is far below the insurance risk due to the conservative investment portfolio. At EUR 53.1 million, the credit risk has the lowest capital

requirement. UNIQA Re is not significantly exposed to operational and other risks and is also well diversified as the reinsurer of all UNIQA Group companies.

Chapter 5 **Valuation** deals with the market-consistent values of assets and liabilities and their calculation. As at 31 December 2019, the balance sheet of UNIQA Re, shows assets of EUR 1'905.9 million and liabilities of EUR 1'401.4 million. In addition, the methods used for solvency purposes to measure individual balance sheet items are compared with the methods used for measurement in the statutory financial statements. The provisions for insurance liabilities in particular show significant differences in valuation. While the provisions in the statutory financial statements essentially correspond to the ceded provisions, the best estimate of the insurance liabilities is calculated using actuarial methods for the market-consistent balance sheet.

The capital planning of UNIQA Re and the equity shown in the annual report are described in Chapter 6 **Capital Management**. The main objective of capital planning is to ensure that the available own funds are sufficient at all times to meet regulatory requirements. The capitalisation of UNIQA Re should therefore be structured in the medium term in such a way that at least an SST ratio between 125% and 135% is maintained. In general, the solvency ratio is steered by strategic measures that lead to a reduction in capital requirements and/or increase existing capital. The time horizon for capital planning is the same as the time horizon for business planning and includes the five financial years following the current financial year. As of 31 December 2019, the equity reported in the annual report amounted to EUR 268.9 million. The difference between the market-consistent assets and liabilities valued for solvency purposes amounted to EUR 504.5 million. The difference between the two figures amounts to EUR 235.6 million and results from the different treatment of individual positions in the respective valuation approach.

Chapter **Fehler! Verweisquelle konnte nicht gefunden werden. Solvency** explains the solvency model, the composition of risk capital and the reported solvency ratio. The risk capital to be covered (target capital), defined in Art. 41 AVO, is at the centre of the quantitative requirements of the Swiss Solvency Test. UNIQA Re uses an adjusted standard model to calculate the target capital to determine the insurance risk and FINMA's standard models to determine the market and credit risk. In SST 2020, the target capital amounted to EUR 379.9 million. In addition to the difference between the market value of the assets and liabilities, a subordinated loan from UNIQA Insurance Group AG with a market value of EUR 52.1 million as supplementary capital is added to the risk-bearing capital. With an SST ratio of 145.6%, UNIQA Re is thus sufficiently capitalised to be able to bear extraordinary loss events or fluctuations in asset prices.

Chapter 8 **Appendices** contains the list of figures and tables, the auditors' report to the Annual General Meeting and the completed quantitative reporting templates specified by FINMA.

The information published here is consistent with the information provided in the context of reporting to FINMA pursuant to Art. 25 ISA (Annual Report) and Art. 53 SO (SST Report).

1. BUSINESS ACTIVITIES

UNIQA Re, based in Zurich, is a reinsurance company licensed to underwrite all types of reinsurance.

UNIQA Re AG
Lavaterstrasse 85
CH-8002 Zurich

UNIQA Re is supervised by the Swiss Financial Market Supervisory Authority (FINMA).

Swiss Financial Market Supervisory Authority FINMA
Laupenstrasse 27
CH-3003 Berne

1.1. Business strategy

As an internal reinsurer, UNIQA Re focuses its business activities on all operative insurance companies in the UNIQA Group. No active reinsurance covers are offered in the open market. Moreover, the underwriting of assumed treaty reinsurance is not tied to any growth targets. Rather, the risk and capital management functions are at the forefront within the framework of the current group guidelines.

UNIQA Re thus contributes to the profit maximisation target of the group. At the same time, however, the company is subject to an independent earnings target for its own business operations.

Since 2014, with a few exceptions, all mandatory covers of the UNIQA Group companies have been in the UNIQA Re portfolio. In addition, UNIQA Re is gradually winding up or releasing the reinsured provisions of former group companies. The UNIQA Group companies offer a comprehensive range of insurance and provision products and their benefits cover property and casualty insurance as well as life insurance and health insurance in Austria and in almost all Eastern European markets. The majority of cessions to UNIQA Re come from property and casualty insurance. They include non-life insurance for private individuals and companies as well as private accident insurance.

With its extensive presence, the UNIQA Group is one of the leading insurance groups in its two core markets of Austria and Central and Eastern Europe.

UNIQA Re's gross premium earned in 2019 amounted to EUR 1,077.7 million and is largely dominated by non-life reinsurance.

The following diagrams illustrate the premium split by cedent, line of business and contract type.

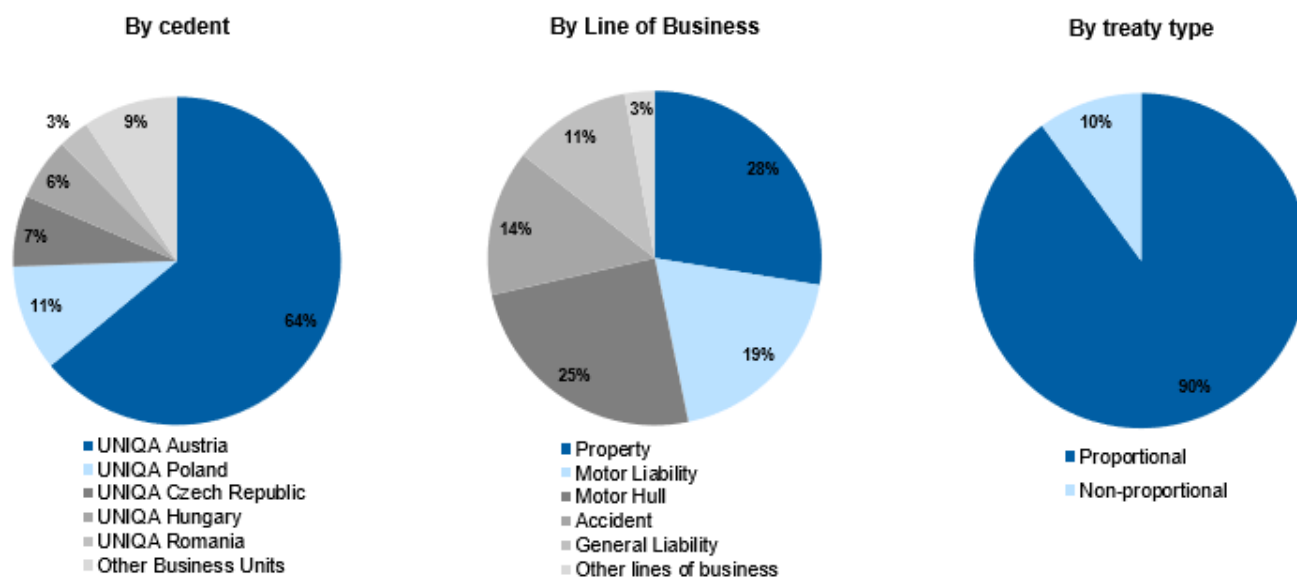


Figure1 Distribution of earned premiums in financial year 2019

1.2. Group affiliation

UNIQA Re belongs to the UNIQA Group, whose ultimate parent company is the UNIQA Insurance Group AG with headquarters in Vienna. The group is subject to supervision by the Austrian Financial Market Authority (FMA).

The processes and transactions within the UNIQA Group that are relevant for UNIQA Re are described in Section 1.6

1.3. Major shareholders

As at 31 December 2019, the shares of UNIQA Re are 100% owned by the UNIQA Insurance Group AG, based in Vienna, Austria. The main shareholders of the UNIQA Insurance Group AG within the meaning of Article 4 para. 2 let. f ISA are the UNIQA Versicherungsverein Privatstiftung (49.0%) and Raiffeisen Bank International AG (10.87%). The core shareholder Collegialität Versicherungsverein Privatstiftung holds a 2.83% stake in UNIQA Insurance Group AG. The remaining shares are in free float or are held as treasury shares. The core shareholders (UNIQA syndicate) have a voting rights agreement. The shares of UNIQA Insurance Group AG are traded on the Vienna Stock Exchange under the symbol UQA.

The following chart shows the shareholdings in UNIQA Re as at 31.12.2019.

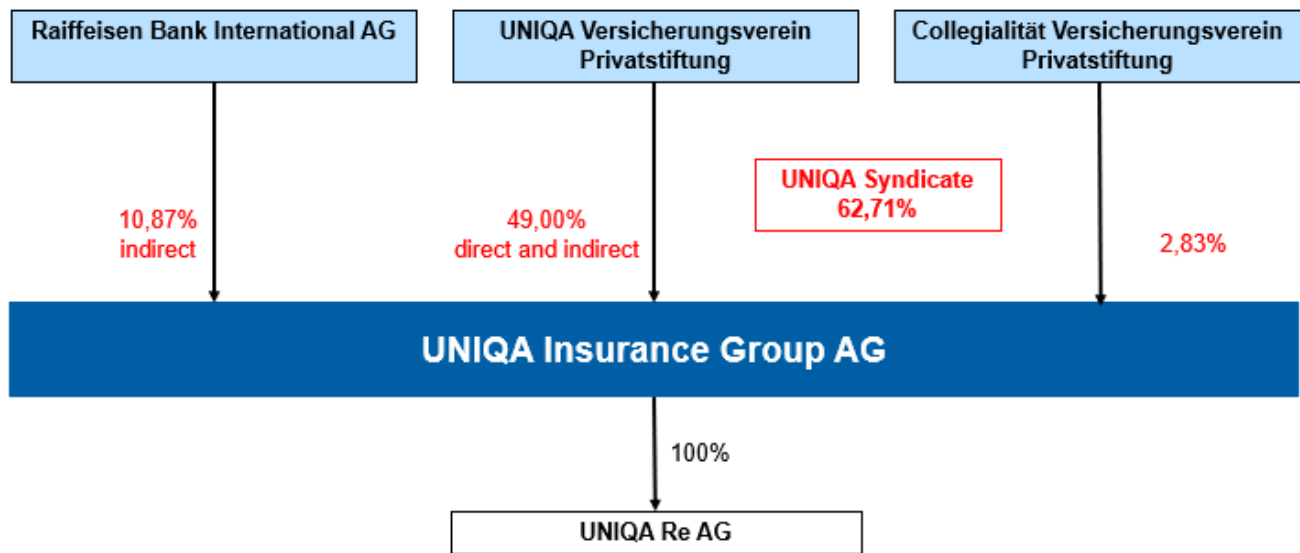


Figure2 Shareholdings in UNIQA Re

1.4. Major branches

UNIQA Re has not established any branch offices in Switzerland or abroad.

1.5. External auditor

The external auditors of UNIQA Re are PricewaterhouseCoopers AG (PwC).

PricewaterhouseCoopers AG
 Birchstrasse 160
 8050 Zurich

PwC undertakes all audits prescribed by law and by UNIQA Re's Articles of Association. The external auditors are appointed by UNIQA Re shareholders on an annual basis. At the Annual General Meeting on 11 April 2019, PwC was re-elected by the shareholders of UNIQA Re.

1.6. Significant unusual events

There were no significant changes in the composition of the operative insurance companies of the UNIQA Group ceding to UNIQA Re compared to the previous year.

The active reinsurance relationships between the former Italian UNIQA companies and UNIQA Re ended on 16 May 2017 as a result of the sale of the companies. On the claims side, the Run-Off and Commutation Agreement provides for the settlement of all losses incurred up to the closing date. The short-tail segments were commuted based on the claims provisions as of December 31, 2018 in 2019. The long-tail segments will be commuted based on the claims provisions as of December 31, 2019 in 2020. UNIQA Re and the UNIQA Group review and analyse the settlement of the corresponding claims on a quarterly basis. There were no conspicuous developments in the 2019 financial year.

In the 2019 financial year, UNIQA Re transferred its general ledger to the technologically most modern SAP system, S/4HANA. Accordingly, the data from 2018 was migrated to the new system and went live on time on 1 January 2019.

UNIQA Re continues to monitor the situation in the United Kingdom regarding Brexit and is evaluating alternative risk carriers. This in view of possible negative effects on the reinsurance markets in London (Lloyd's), through which the company purchases part of its Nat Cat, art and terror cover.

The rapid spread of the coronavirus, which first appeared in December 2019 and has since been declared a pandemic, and the measures being taken to contain the virus at an increasingly global level have led to considerable volatility in the financial markets and to adverse effects on global business and the global economy. There is an increased likelihood that the coronavirus and related containment measures could have a negative impact on the economy and possibly lead to a global recession. UNIQA Re is monitoring the development, the potential effects of the infection and the worldwide reactions, in particular with regard to asset prices, insurance exposures and its own business activities.

2. PERFORMANCE

The financial statements have been prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations (Art. 957-963b CO). In addition to the Swiss Code of Obligations, the provisions of the Ordinance of the Swiss Financial Market Supervisory Authority on the Supervision of Private Insurance Companies (Art. 5-6a AVO-FINMA) were also applied.

The following table shows the aggregated items of the income statement for the 2019 financial year compared with the previous year.

| Position | 2019 | 2018 | Change |
|--|-------------------|-------------------|-------------------|
| | in EUR million | in EUR million | in EUR million |
| Result from underwriting business | 57,07 | 3,16 | 53,91 |
| Net investment income | 24,13 | 13,88 | 10,25 |
| Operating result | 81,20 | 17,04 | 64,16 |
| Interest expenses for interest-bearing liabilities | -2,90 | -2,90 | 0,00 |
| Other income / expenses | -3,70 | 8,90 | -12,60 |
| Profit before tax | 74,60 | 23,04 | 51,56 |
| Direct taxes | -7,26 | -0,04 | -7,22 |
| Profit | 67,34 | 23,00 | 44,34 |

Table1 Aggregated income statement

The following sections deal in detail with the underwriting result, the financial result and other significant income and expenses.

Due to the fact that most of UNIQA Re's business activities are conducted in euros, the company has decided to keep its accounts in euros from the 2013 financial year.

2.1. Underwriting result

The following table compares the underwriting result of 2019 financial year with 2018 financial year.

| Position | 2019 | 2018 | Change |
|--|----------------|----------------|----------------|
| Premiums | in EUR million | in EUR million | in EUR million |
| Gross premiums | 1.072,3 | 1.044,8 | 27,5 |
| Reinsurers' share of gross premiums written | -61,9 | -64,7 | 2,8 |
| Premiums for own account | 1.010,4 | 980,1 | 30,3 |
| Change in gross unearned premiums | 5,4 | -8,7 | 14,1 |
| Reinsurers' share of change in unearned premiums | 1,8 | -3,8 | 5,6 |
| Net earned premiums | 1.017,6 | 967,6 | 50,0 |
| Other income from insurance business | | | |
| Other income | 0,9 | 1,0 | -0,1 |
| Insurance expenses | | | |
| Payments for insurance claims (gross) | -754,9 | -648,1 | -106,8 |
| Reinsurers' share of payments for insurance claims | 95,1 | 13,8 | 81,3 |
| Payments for insurance claims for own account | -659,8 | -634,3 | -25,5 |
| Change in technical provisions | 75,1 | -104,7 | 179,8 |
| Reinsurers' share of change in technical provisions | -49,4 | 93,0 | -142,4 |
| Expenses for insurance claims for own account | -634,1 | -646,0 | 11,9 |
| Acquisition and administrative expenses | | | |
| Acquisition expenses | -299,9 | -296,8 | -3,1 |
| Administration expenses | -6,2 | -5,7 | -0,5 |
| Reinsurers' share of acquisition and administration expenses | 3,2 | 3,3 | -0,1 |
| Acquisition and administration expenses for own account | -302,9 | -299,2 | -3,7 |
| Other underwriting expenses | | | |
| Non-profit-related premium refunds | -12,2 | -11,8 | -0,4 |
| Underwriting taxes | -12,2 | -8,5 | -3,7 |
| Other underwriting expenses for own account | -24,4 | -20,3 | -4,1 |
| Underwriting result | | | |
| Gross underwriting result | 68,3 | -38,6 | 106,9 |
| Reinsurers' share of underwriting result | -11,2 | 41,7 | -52,9 |
| Underwriting result for own account | 57,1 | 3,1 | 54,0 |

Table2 Underwriting result

The number of cedents and mostly their respective reinsurance structures in 2019 remained unchanged from the previous year. In the 2019 financial year net premiums earned climbed by EUR 50.0 million from EUR 967.6 million to EUR 1,017.6 million. This corresponds to 5.2%. This increase follows the development of the gross business of the UNIQA companies.

In the 2018 reporting year, a number of losses occurred, particularly in the "Property" segment, which must be described as exceptional in terms of both number and amount. This affected both the

assumed business and the retrocession. These kind of losses were largely absent in the financial year 2019. The largest loss during the financial year was a snow pressure event that mainly affected the Austrian UNIQA company. UNIQA Re assumed EUR 30.0 million of this amount. At the same time, however, EUR 23.0 million from the corresponding retrocession covers could be reclaimed from the reinsurers. The net claims expenditure thus decreased in comparison with the previous year from EUR 646.0 million to EUR 634.1 million (1.8%). In addition to the absence of major losses, it can also be stated that the situation regarding attritional losses in the UNIQA companies has improved considerably. The reorganisation measures of recent years are now clearly taking effect.

Acquisition and administration expenses, which for the most part consist of commissions for the proportional reinsurance contracts, rose slightly (from EUR 299.2 million to EUR 302.9 million for own account). As a percentage of net premiums earned, the figures changed from 30.9% to 29.8%.

Other underwriting expenses (profit-unrelated premium refunds, underwriting taxes) increased by around 20.2% from EUR 20.3 million in the previous year to EUR 24.4 million in the financial year. This is mainly due to the introduction of a new insurance tax in Hungary, which the local UNIQA company can partially cede to UNIQA Re via reinsurance.

The net underwriting result after settlement with the reinsurers and after own costs is considerably higher than in the previous year at EUR 57.1 million (2018: EUR 3.1 million).

The following table shows the development of the segments from financial year 2018 to financial year 2019.

| Position | Total | | Personal accident | | Health | | Motor | |
|-----------------------------|----------------|----------------|-------------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million |
| Premiums and other income | 1.018,6 | 968,6 | 145,9 | 141,4 | 5,4 | 6,2 | 469,1 | 457,6 |
| Insurance Expenses | -634,3 | -646,0 | -83,5 | -79,2 | -6,0 | -4,7 | -300,3 | -295,3 |
| Acquis./Adm./Other Expenses | -327,2 | -319,5 | -64,7 | -62,7 | -0,4 | -1,0 | -144,0 | -136,9 |
| Result | 57,1 | 3,1 | -2,3 | -0,5 | -1,0 | 0,5 | 24,8 | 25,4 |

| Position | Marine, Transport | | Property | | Casualty | | Miscellaneous | |
|-----------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million | in EUR million |
| Premiums and other income | 6,7 | 6,0 | 253,1 | 215,8 | 120,7 | 117,2 | 17,7 | 24,4 |
| Insurance Expenses | -5,3 | -3,9 | -164,4 | -174,2 | -67,8 | -77,0 | -7,0 | -11,7 |
| Acquis./Adm./Other Expenses | -1,4 | -1,4 | -74,0 | -78,2 | -34,2 | -32,9 | -8,5 | -6,4 |
| Result | 0,0 | 0,7 | 14,7 | -36,6 | 18,7 | 7,3 | 2,2 | 6,3 |

Table3 Underwriting result by segment

2.2. Financial result

The following table compares the investment income and expenses for the 2019 financial year with the previous year.

| Position | in EUR Thousand | | in EUR Thousand | | in EUR Thousand | |
|---------------------------|-----------------|-----------------|-----------------|------------|-----------------|----------------|
| Investment income | Return | | Write-ups | | Realised gains | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Real estate | 294,7 | 278,2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Fixed-interest securities | 17.612,1 | 15.763,1 | 2.537,5 | 0,0 | 3.460,0 | 3.886,7 |
| Loans | 4.752,1 | 4.752,1 | 0,0 | 0,0 | 0,0 | 0,0 |
| Other investments | 0,0 | 0,0 | 0,0 | 0,0 | 847,1 | 1.819,9 |
| Total | 22.658,9 | 20.793,4 | 2.537,5 | 0,0 | 4.307,1 | 5.706,6 |

| Position | in EUR Thousand | | in EUR Thousand | | in EUR Thousand | |
|---------------------------|-----------------|-------------|-----------------|----------------|-----------------|----------------|
| Investment expenses | Expenses | | Depreciation | | Realised losses | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Real estate | 104,3 | 97,7 | 46,9 | 46,9 | 0,0 | 0,0 |
| Fixed-interest securities | 0,0 | 0,0 | 1.568,2 | 7.840,4 | 2.763,1 | 1.029,1 |
| Loans | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Other investments | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Total | 104,3 | 97,7 | 1.615,1 | 7.887,3 | 2.763,1 | 1.029,1 |

Table4 Investment income and expenses

Real estate: This is a single office building that is depreciated annually using the straight-line method. There were no significant changes in rental income and maintenance costs. As real estate is not part of the strategic asset allocation of the company, the office building will be sold in 2020.

Fixed-interest securities: Current income increased compared with the previous year. There were new investments from the inflow of liquidity from reinsurance business and reinvestments. The reason for the write-ups and depreciations on this item lies in its valuation according to the straight-line cost amortization method and in the change in exchange rates. The realised gains and losses stem from maturities and portfolio restructurings. Various optimizing actions in the portfolio, such as maturity adjustments, had been taken to increase the profit in the future.

Loan: Unchanged interest income from a loan granted to the parent company UNIQA Insurance Group AG with a term until 2026.

Other investments: In this item, consisting of a UNIQA Group equity fund, the portfolio was adjusted corresponding to the strategic asset allocation in 2019. This resulted in a realized gain.

It should also be noted that the sum of the items in Table 4 "Income and expenses from/for investments" cannot be reconciled directly to the income statement items "Investment income" and "Investment expenses", since certain income and expenses cannot be allocated to the balance sheet

item "Investments" (e.g. deposits on assumed reinsurance business, cash and cash equivalents). The income statement items also include asset management costs and other investment expenses.

In the 2019 financial year, as in the previous year, no gains or losses were recognised directly in equity.

2.3. Interest expenses for interest-bearing liabilities

For the subordinated loans received from the parent company UNIQA Insurance Group AG at the end of 2016 (risk-absorbing capital instrument in risk-bearing capital), the interest payment in 2019 remained unchanged at EUR 2.9 million.

2.4. Other income and expenses

The following table compares the other income and expenses of the 2019 financial year with those of the 2018 financial year.

| Position | in EUR Thousand | |
|---------------------------|-----------------|----------------|
| Other income | | |
| | 2019 | 2018 |
| Exchange rate differences | 1.751,7 | 7.997,7 |
| Other | 0,0 | 1.285,6 |
| Total | 1.751,7 | 9.283,3 |

| Position | in EUR Thousand | |
|---------------------------|-----------------|--------------|
| Other expenses | | |
| | 2019 | 2018 |
| Exchange rate differences | 5.453,7 | 379,5 |
| Other | 0,0 | 0,3 |
| Total | 5.453,7 | 379,8 |

Table5 Other income and expenses

Other income and expenses mainly relate to exchange rate differences from the valuation of provisions, deposits retained on assumed reinsurance business and accounts receivable and payable on reinsurance business.

The difference between these amounts and the previous year is therefore due to the development of the corresponding exchange rates. These are the currencies CZK, HRK, HUF, PLN, RON, RSD, UAH.

In the position "Other", there was a one-off effect in financial year 2018.

3. CORPORATE GOVERNANCE AND RISK MANAGEMENT

3.1. Corporate governance

Board of directors

The board of directors is the responsible body for the overall management, supervision and control of UNIQA Re. It is authorised to take decisions on all matters which are not reserved or delegated to another body by law, the articles of association or the organisational regulations.

As at 31 December 2019, the Board of Directors of UNIQA Re consisted of three members:

- Dr. Andreas Brandstetter (Chairman of the Board of Directors)
- Kurt Svoboda (Vice Chairman of the Board of Directors)
- Mrs. Jutta Kath (Member of the Board of Directors)

There were no changes in the composition of the Board of Directors during the reporting period.

The board of directors formed the combined risk and audit committee in 2019, which will meet for the first time in 2020. In 2019 the board of directors performed its duties and obligations during the ordinary meetings of the board of directors. The board of directors meets at least once every six months. In addition to the non-transferable duties pursuant to Art. 716a OR, the duties, competencies and responsibilities of the Board of Directors include, among other things:

- The ultimate supervision of the operational management of the company, in particular with regard to compliance with the relevant laws, risk management and the internal control system (ICS).
- The appointment and dismissal of the persons entrusted with the management and representation of the company as well as the regulation of signatory powers.
- The definition of principles for capital structure and capital resources, as well as for monitoring compliance with solvency regulations.

In accordance with UNIQA Re's organisational regulations, certain transactions and measures that fall within the remit of management require the approval of the board of directors. In all other respects, the board of directors has fully delegated the management of the company to the executive board.

Executive board

On 1st January 2019, Dr. Sylva de Fluiter took over the management of UNIQA Re and replaced Hans-Uwe Müller as Chief Executive Officer. She was the only member of the executive board in 2019.

The executive board is responsible for managing the day-to-day business in accordance with the tasks delegated to it and within the scope of the powers granted to it by the board of directors. It reports directly to the board of directors. The board of directors is represented by a member appointed for the supervision of the executive board, in particular with regard to the management of current business and compliance with the resolutions of the board of directors.

The Chief Executive Officer is supported by the Chief Insurance Technical Officer (Client Management and Retrocession), the Chief Financial Officer (Finance and Accounting) and the Chief Risk Officer (Risk Management, Actuarial and Compliance) in the management of all operational activities. They form the extended management board of UNIQA Re.

The following diagram shows the extended management board of UNIQA Re.

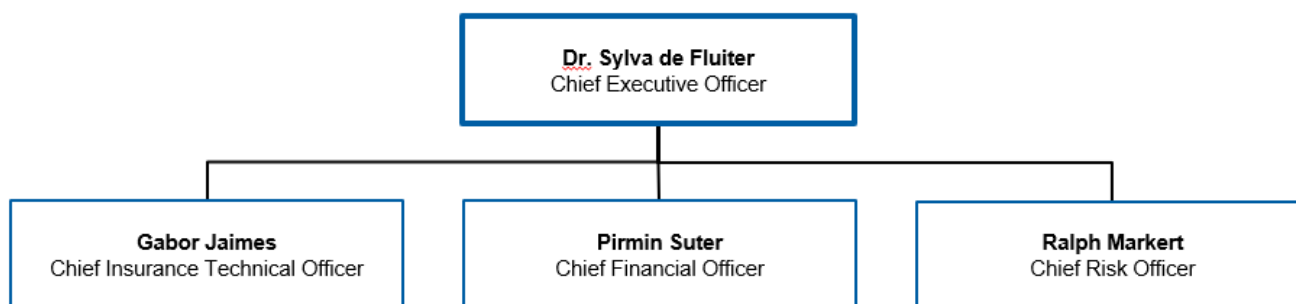


Figure3 Extended management board of UNIQA Re at 31.12.2019

3.2. Risk management

The risk management system as a component of the governance system serves to identify, evaluate and monitor short and long-term risks to which UNIQA Re is exposed. The guidelines of the UNIQA Group serve as the basis for uniform standards within UNIQA Re.

The ultimate supervision of the operational management of the company, in particular regarding compliance with the relevant laws, risk management and the internal control system (ICS), is the responsibility of the Board of Directors. The operational organisation of the risk management system comprises the CRO function, the Risk Management Committee and the risk management function.

Risk strategy

The risk strategy describes how the company deals with risks that represent a potential threat to the achievement of strategic business objectives. The main objectives are to maintain and protect the financial stability and adequate profitability of the reinsurance business. The risk strategy is prepared by the risk management function and decided by UNIQA Re's management and Board of Directors.

A central element of the risk strategy is the determination of risk appetite. UNIQA Re prefers risks that it can influence and control efficiently and effectively. Insurance risks are at the forefront of the risk profile.

The following chart provides an overview of the defined risk preference broken down by risk category:

| Risk Category | Risk preference | | |
|----------------------------|-----------------|--------|------|
| | Low | Medium | High |
| Underwriting Risk Non-Life | | | X |
| Underwriting Risk Life | X | | |
| Market Risk | | X | |
| Credit Risk | | X | |
| Liquidity Risk | X | | |
| Operational Risk | X | | |
| Reputational Risk | X | | |
| Strategic Risk | X | | |

Table 6 Overview of risk preferences

UNIQA Re defines its risk appetite based on the SST model (the components of the model are described in more detail in Section 7.1). UNIQA Re defines a target corridor based on the SST ratio.

Risk management process

The risk management process provides regular information on the risk situation and enables the management to take the measures to achieve long-term strategic goals. The process focuses on company-relevant risks and is defined for the following risk categories:

- Insurance risk
- Market risk
- Credit risk
- Liquidity risk
- Operational risk
- Emerging risks

For these risk categories, risks are regularly identified, assessed and reported. The underlying risk management process can be divided into five steps:

1. Identification
2. Measurement/Evaluation
3. Control
4. Monitoring
5. Reporting

Risk identification is the starting point for the risk management process. Different approaches are applied where all risk categories, departments, processes and systems are included. The risk categories including insurance, market and credit risk are assessed using quantitative methods in the SST. The results are used to identify the risk drivers and to analyse whether the risk situation is adequately reflected. The other risk categories are assessed qualitatively. The process for managing and monitoring risks focuses on continuously reviewing the risk environment and fulfilling the risk strategy. In addition to regular reporting to the Risk Management Committee and at board of directors meetings, various reports are prepared for the Executive Board and the Board of Directors. These include the SST and ORSA reports as well as the ICS report and the Liquidity report. UNIQA Re's biggest risks are additionally summarised and monitored quarterly in a "Heat Map".

Risk Management Committee

The Risk Management Committee forms a central element of the risk management organisation and is responsible for managing the risk profile and the associated determination and monitoring of the risk-bearing capacity and limits.

ORSA

UNIQA Re's own risk and solvency assessment (ORSA) process is based on a prospective approach which is at the centre of the corporate development strategy and the planning process, but also of the overall risk management concept. The main components of the ORSA are:

- Prospective approach
- Overall risk profile
- Total capital requirement
- Risk-mitigation measures

Risk management is providing the relevant inputs for the ORSA. The current risk profile and material strategic decisions are considered within the framework of the ORSA. This ensures an effective and efficient management of UNIQA Re's risks and is therefore a fundamental element for fulfilling regulatory capital requirements and determining the total capital requirement.

Risk management function

The risk management function is led by the head of the Actuarial and Risk Management department/CRO. It regularly carries out an independent assessment of UNIQA Re's main risks and the appropriateness of the risk management system and prepares reports for the Board of Directors. Organizationally, the risk management function reports to the Chief Executive Officer. The risk management function within UNIQA Re is independent of other control functions.

In particular, the risk management function performs the following tasks:

- Risk identification, monitoring and reporting of the relevant risks
- Calculation of risk and target capital as part of the Swiss Solvency Test (SST)
- Preparation of the report on the company's own risk and solvency assessment
- Monitoring of limit systems for UNIQA Re's risk exposure
- Preparation and implementation of the Risk Management Committee

Compliance function

The compliance function is performed by an employee of Actuarial and Risk Management. It carries out an independent annual assessment of UNIQA Re's main compliance risks and prepares reports for the Board of Directors. Organizationally, the compliance function reports to the Chief Risk Officer. The compliance function within UNIQA Re is independent of other control functions.

In particular, the compliance function performs the following tasks:

- Creation of a compliance plan describing the activities of the compliance function for the next year based on the results of the risk analysis.
- Preparation of regular compliance reports (Risk Management Committee, UNIQA Group Compliance, Board of Directors).
- Identification and assessment of the compliance risks associated with non-compliance with legal requirements in the individual departments and thus the risk exposure of the company (annual compliance risk analysis).
- Assessment and monitoring of compliance with applicable (regulatory) provisions and whether such compliance is promoted by effective internal procedures within the company.
- Ensure that sufficient preventive measures have been taken to avoid non-compliance. This includes in particular employee training.

Internal audit

Internal audit at UNIQA Re was outsourced to UNIQA Insurance Group AG. It reports directly to the UNIQA Re Board of Directors. Internal Audit is organisationally and operationally independent of the other control functions and has unrestricted access, disclosure and auditing rights within UNIQA Re. The Internal Audit department performs the following tasks:

- Preparation of a periodic risk-based audit plan approved by the Board of Directors
- Carrying out an annual risk assessment of the specified test objects
- Report to the Board of Directors on all significant findings of the audit

Internal control system

UNIQA Re's internal control system (ICS) ensures that process risks are minimised or eliminated through effective and efficient controls. The objectives of the ICS are the effectiveness of business processes, the reliability of financial reporting and compliance with regulatory requirements.

In addition to regulatory requirements, emphasis is placed on transparent and efficient process design. An internal control system has therefore been implemented for all processes in which significant financial, operational and/or compliance risks may arise.

The basis for the implementation of the internal control system is the company-wide ICS standard, which defines the minimum requirements regarding organisation, methods and scope.

UNIQA Re's ICS standard makes the implementation of at least the following processes mandatory:

- Balance Sheet Preparation
- Asset Management
- Risk management
- Reinsurance
- IT
- Compliance
- Large Claims Handling
- Reserving

For each of the mentioned processes there is a process owner who is responsible for the organisation of an effective internal control system within his area of responsibility.

According to the ICS standard, the following activities are regularly carried out for each of the processes described above.

- Process documentation
- Risk identification and control definition
- Implementation and documentation of controls
- Evaluation of risks and controls
- Monitoring
- Reporting

Each person responsible for the process prepares an ICS report on an annual basis, which reports on the implementation of controls as well as on existing weaknesses and planned measures. The ICS officer at UNIQA Re prepares an ICS summary report for the company. It serves the Board of Directors as a means to supervise the ICS.

4. RISK PROFILE

The solvency capital requirement (target capital) of UNIQA Re is determined in accordance with the requirements of Circular 2017/03 "SST" (more detailed information on the model used can be found in Section 7.1). The one-year risk capital included in the target capital is calculated by aggregating the various risk modules, taking correlation effects into account. The effect of scenarios that are not adequately reflected in the risk modules is also considered. The underlying risk measure is the 99% tail value at risk over a time horizon of one year.

The following table shows the risk profile and capital requirements per risk category as they are included in the calculation of UNIQA Re's one-year risk capital as at 31 December 2019 (undiversified and after diversification).

| Position | in Mio. EUR | in % |
|--|--------------|-------|
| Market, Insurance and Credit risk | 289,9 | |
| Market risk (centered) | 79,2 | 22,9% |
| Insurance risk (centered) | 212,9 | 61,7% |
| Credit risk | 53,1 | 15,4% |
| Diversification effect | -55,3 | |

Table 7 Capital requirement (target capital) per risk category

The risk profile is dominated by the insurance risk with a capital requirement of EUR 212.9 million, which mainly results from the large portfolio of non-life reinsurance treaties.

At EUR 79.2 million, the second highest capital requirement is market risk, which is far below underwriting risk due to the conservative investment portfolio.

At EUR 53.1 million, the credit risk has the lowest capital requirement.

The diversification effects of EUR -55.3 million result from the joint distribution of market and underwriting risk.

UNIQA Re is not exposed to significant off-balance sheet items and has not transferred any risks to special purpose vehicles (SPVs).

For more detailed information on the quantified risk categories and on operational and other significant risks to which UNIQA Re is exposed, please refer to the following sections.

4.1. Insurance risk

UNIQA Re underwrites reinsurance business with the UNIQA Group companies in almost all property and casualty lines of business (non-life). Health and life reinsurance have no material effect on UNIQA Re's risk profile.

Non-life insurance risk is generally defined as the risk of loss or adverse changes in the value of insurance liabilities. This risk category dominates with a 61.7% share of undiversified risk capital for the sum of insurance, market and credit risks. The risk category is divided into premium risk and reserve risk. Premium risk refers to the risk of a loss due to an increase in losses in the coming year, for example due to a higher loss frequency or higher average losses than expected. This includes in particular the risk of individual events (large losses exceeding a predefined loss amount) and the risk of natural hazards (accumulation events). The reserve risk refers to the risk of a loss due to an adverse development in claims settlement, for example due to a higher number of IBNR losses than expected.

Without retrocession, a large part of UNIQA Re's premium risk would be attributable to the risk from natural hazards, since this is where the accumulated sums insured are greatest and there is also the risk of accumulation of many smaller losses. However, retrocession reduces the premium risk to such an extent that the reserve risk predominates. After diversification, the corresponding total risk capital for these risks amounts to EUR 212.9 million (the detailed quantification and breakdown of the centered underwriting risk can be found in Section 7.2).

In addition to the annual analysis of underwriting risks as part of the SST, further assessments are made at a granular level. UNIQA Re's reinsurance managers regularly analyse the risk profiles of cedents at sub-line of business level. In addition, UNIQA Re receives every year a detailed list of the cedents' exposure to natural hazards. Analyses are also carried out during the year in accordance with the SST procedure if material changes in the composition of the portfolio or in the structure of the retrocession are to be expected.

The risk concentration in underwriting risk results from a possible geographical accumulation of risks. UNIQA Re's main concentration risk is the natural catastrophe risk, in particular the natural hazards of storms, floods, earthquakes and hail. All these natural hazards have the potential to affect a geographically large area. Due to the geographical concentration of reinsurance business on Central and Eastern Europe, a major natural event can cause many claims. A concrete example of such a scenario is a possible flood along the Danube. Catastrophe risk is measured by using natural catastrophe models from various external providers.

UNIQA Re's main risk-reducing measure is the purchase of retrocession. The scope and structure of retrocession of underwriting risks to reinsurers outside the group are analysed annually and adjusted if necessary. In particular, the external reinsurers provide sufficient reinsurance coverage to cover possible accumulation of events. The effectiveness of retrocession is ensured by at least annual evaluations (through simulations) of capital requirements before and after application of the corresponding retrocession structure. These evaluations are carried out both at line of business level and for UNIQA Re's entire insurance risk.

There were no significant changes in insurance risk during the reporting period.

4.2. Market risk

Market risk reflects the sensitivity of market-consistent values of investments and other assets, insurance liabilities and other liabilities to changes in the following factors: interest rates, credit spreads above the risk-free yield curve, foreign exchange rates, market prices of equities and real estate. With a share of 18.0% of undiversified risk capital, this risk category plays a smaller role than insurance risk for the undiversified sum of insurance, market and credit risks.

UNIQA Re operates an active asset liability management system and selects investments according to the criteria of return, creditworthiness and appropriate diversification. The group-internal asset manager UNIQA Capital Markets GmbH supports UNIQA Re in choosing the investment strategy. The assignment for operational implementation to the portfolio manager is formulated within the framework of a mandate and formally approved by UNIQA Re. The mandate defines the Strategic Asset Allocation (SAA), the investment classes (investment universe) and internal and external limits. In the SAA, a matching portfolio is defined which is oriented towards the payment pattern of technical provisions and generates a stable cash flow. A surplus portfolio serves to optimise returns and is hedged by a stop loss strategy.

UNIQA Re's investments consist largely of fixed-interest securities with medium to high credit ratings (77.6% of total investments). Other significant items are a loan granted to UNIQA Insurance Group AG (13.0%) and investments in equity (8.9%).

Since most investments are interest-bearing, changes in the interest rate level (interest rate risk) and the risk premiums dependent on the issuer (spread risk) have a considerable effect on the value of the investments and are therefore the biggest risk drivers. Following a new investment policy, the equity share has increased, resulting in a higher equity risk.

The undiversified risk capital for the total of all market risks amounts to EUR 150.0 million as at 31 December 2019. After diversification and deduction of the expected financial result, the total risk capital for market risks amounts to EUR 71.7 million (the detailed quantification and breakdown of the centered market risk can be found in Section 7.2).

UNIQA Re calculates the market risk in accordance with the standard model prescribed by FINMA. Based on this model, the composition of the portfolio is analysed and assessed annually as part of the Swiss Solvency Test. The composition of the current and possible future portfolio and the associated risks are also observed and discussed in regular meetings with UNIQA Capital Markets GmbH. In addition to this strategically oriented assessment, Group Risk Management of the UNIQA Group prepares a bi-weekly investment limit report and a quarterly limit report in which compliance with the defined limits for all risk categories (including insurance and credit risk) is monitored.

To avoid high concentrations in investments and to achieve the broadest possible diversification of risk, target ranges are defined as part of the SAA (Strategic Asset Allocation). In addition to investing in various asset classes, diversification is achieved in particular by investing in various regions and durations within an asset class. As of 31 December 2019, there were only 21 positions among the fixed-interest securities with a market value of more than EUR 10 million. Deposits on assumed reinsurance business of individual group companies may be higher in some cases but are harmless with regard to the same currency and structure as the corresponding provisions. The loan to UNIQA

Insurance Group AG of a nominal EUR 215 million represents a concentration, but is put into perspective if Group affiliation is considered.

In order to reduce risk, UNIQA Re aims to provide congruent cover for insurance obligations in terms of currency and duration (see description at the beginning of this section). As at 31.12.2019, UNIQA Re did not use any derivative financial instruments to hedge balance sheet items.

4.3. Credit risk

The credit risk takes account of possible losses that may result from an unexpected default or deterioration in the creditworthiness of counterparties and debtors during the following twelve months. The most important counterparties of UNIQA Re outside the Group are various external reinsurers (risk of retrocessionaire default) and Credit Suisse (Schweiz) AG, where cash is held in various currency accounts. In addition, there is a risk of default of receivables from cedents and a credit risk from issuers of fixed-interest securities (mainly government and corporate bonds).

The total credit risk exposure as at 31 December 2019 amounts to EUR 1,855.1 million. The following table shows the breakdown of credit risk exposure by rating category.

| | in Mio. EUR | in % |
|---|----------------|---------------|
| Position for which external ratings are used | 1553,17 | 83,7% |
| AAA - AA | 390,4 | 21,0% |
| A | 834,8 | 45,0% |
| BBB | 252,1 | 13,6% |
| BB or lower | 34,2 | 1,8% |
| Not rated | 41,6 | 2,2% |
| Position for which external ratings are not used | 301,9 | 16,3% |
| Total | 1855,1 | 100,0% |

Table8 Credit risk exposure by rating

The credit risk of EUR 53.1 million, accounting for 15.4% of undiversified risk capital, plays a minor role in the sum of insurance, market and credit risks.

The standard model from the SST, which essentially corresponds to the Basel III standardised approach for banks, is used to measure credit risk. Based on this model, the composition of credit risk is analysed and assessed annually as part of the SST process. In addition, the ratings of reinsurers are updated on a quarterly basis and receivables from group units are escalated if they are not met in time.

The risk of potential concentrations through the transfer of reinsurance is reduced by limiting the retrocessionaire's share of the reinsurance treaty. For this purpose, UNIQA Re has defined a reinsurance standard that regulates the selection of counterparties and avoids such external concentrations (e.g. it is stipulated that in general a single reinsurer can only participate in a contract up to a maximum share of 25 percent, and that each reinsurer must have at least a Standard & Poor's

(S&P) rating of "A-" or equivalent rating published by an external credit assessment institution used by UNIQA Group).

The loan granted to UNIQA Insurance Group AG with a nominal value of EUR 215 million represents a concentration risk but is relativized on the basis of group affiliation.

Minimum ratings for external reinsurers and upper limits for the ceded exposure per reinsurer were defined to reduce risk. Compliance with the requirements is checked regularly, especially during renewal. If a reinsurer falls below the rating "A-", a deposit in the amount of the retroceded loss reserves is required. This was not the case in 2019.

UNIQA Re does not use credit derivatives or other instruments to hedge the credit risk. When selecting fixed-interest securities, UNIQA Re essentially limits itself to countries and companies with investment grade BBB or better.

4.4. Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. The definition covers all compliance risks, but not reputational and strategic risks. The risk management process for operational risks is designed in such a way that existing or future risks are identified and potential losses for UNIQA Re are avoided or at least reduced. The process consists of the following five steps:

1. Risk identification
2. Risk assessment
3. Risk steering
4. Reporting
5. Monitoring

In terms of operational risk, UNIQA Re is not comparable with reinsurers operating in the open market. On one hand, the processes are standardized and are not subject to permanent changes and, on the other hand, the human risk or system risk is small due to the professional staff and the controlled outsourcing to an experienced IT partner. The following operational risks were identified as material:

- Process risks, in particular the structuring of reinsurance and claims processing
- Non-compliance with the EU Data Protection Basic Regulation (DSGVO)

In order to minimise operational risks in business processes, UNIQA Re uses an appropriate internal control system so that effective controls are strictly monitored and the reduction of such business process risks to a minimum can be guaranteed. All other operational risks are recorded and assessed by the operational risk database Risk2Value, the compliance risk analysis and the business continuity management system. If necessary, measures will be developed.

There were no significant changes in operational risk during the reporting period.

4.5. Other significant risks

Other significant risks include liquidity risks, reputational risks, strategic risks and emerging risks.

Liquidity risk is the risk that the (re)insurer is not able to meet its payment obligations in full and/or on time or that it will have to accept losses on short-term sale of investments in order to meet its payment obligations. Management is informed about UNIQA Re's liquidity risks in a separate liquidity report. The main part of this report compares the expected cash inflows and outflows over the planning period and evaluates adverse scenarios. Due to the coordination of investments with insurance liabilities (asset liability management) and the avoidance of short-term liquidity bottlenecks through coordinated retrocession, there is no material liquidity risk for UNIQA Re.

Reputation risk is the risk of negative economic effects that could result in damages to UNIQA Re's reputation. Due to the embedding of UNIQA Re in the UNIQA Group and the exclusive underwriting of intra-group business, however, there is no significant reputational risk for UNIQA Re.

Strategic risk is defined as the risk arising from inaccurate business decisions, poor implementation of processes or a lack of adaptability due to changes in the market. The strategic risk of UNIQA Re is analogous to the reputation risk. UNIQA Re's monopoly position as the reinsurer of the UNIQA companies excludes the risk of a lack of adaptability due to changes in the market. The risk of inaccurate business decisions is also reduced to a minimum by embedding UNIQA Re in the Group and the associated access to data and information.

Future risks, so-called emerging risks, are risks that develop from changes in existing risks or which occur for the first time in the future. New economic, technological, socio-political and ecological developments are the main drivers of emerging risks. Emerging risks are identified and continuously monitored through the UNIQA Re heat map and reported to the risk management committee.

5. VALUATION

The market-consistent valuation of assets and provisions for insurance obligations is based on the specifications in Appendix 3 AVO and Circular 2017/03 "SST".

5.1. Market-consistent asset valuation

The following table shows the market-consistent value of the assets, broken down by asset class, as at 31 December 2019.

| Position | in Mio. EUR | in % |
|--|----------------|---------------|
| Investments | 1.653,2 | 86,7% |
| Real estate | 8,2 | 0,4% |
| Participations | 0,0 | 0,0% |
| Fixed-income securities | 1.282,1 | 67,3% |
| Loans | 215,1 | 11,3% |
| Mortgages | 0,0 | 0,0% |
| Equities | 0,0 | 0,0% |
| Other investments | 147,8 | 7,8% |
| <i>Collective investment schemes</i> | 147,8 | 7,8% |
| <i>Alternative investments</i> | 0,0 | 0,0% |
| <i>Other investments</i> | 0,0 | 0,0% |
| Other assets | 252,7 | 13,3% |
| Cash and cash equivalents | 25,1 | 1,3% |
| Share of technical provisions from reinsurance | 112,9 | 5,9% |
| Receivables from insurance activities and Deposits | 98,5 | 5,2% |
| Other receivables | 4,7 | 0,2% |
| Accrued and Fixed assets | 11,5 | 0,6% |
| Total | 1.905,9 | 100,0% |

Table9 Market-consistent value of assets

If a market value of a position existed as of 31 December 2019, this was used as a market-consistent value. This was the case for fixed-interest securities, cash and cash equivalents. The collective investment schemes were also valued at market value.

To estimate the market value of the only property in the portfolio, an expert opinion by a real estate company was used. The resulting current value of the property was used as the market value.

The loan granted to UNIQA Insurance Group AG is a loan with a fixed interest rate and fixed duration. The interest rate was derived on the basis of the characteristics of the loan and the debtor as well as a comparable bond of UNIQA Insurance Group AG on the capital market. The corresponding interest rate was also used for valuation at the discounted present value.

Reinsurers' share of technical provisions

The retrocession in the life and health business is not modelled in detail due to the low volume. The retrocession structure of the non-life business is applied to the original losses or loss amounts of a ceding company. For the calculation of the best estimate provisions in the SST, an approximate breakdown of the losses according to proportional and non-proportional contracts per class, contract year and currency is carried out. On the basis of this breakdown and using the development factors that are calculated to estimate the statutory best estimate provisions before retrocession (gross), the statutory best estimate provisions after retrocession (net) are calculated. They are discounted in the same way as the gross provisions.

Since the retroceded loss reserves are small compared to the total gross loss reserves and UNIQA Re only accepts retrocessionnaires with a rating of at least A-, the effect of considering a risk margin for incoming payments is currently immaterial from an overall perspective.

Receivables from insurance business consist of existing accounts receivable and deposits on assumed reinsurance business. Accounts receivable from reinsurance business are due both from cedents within the group and from retrocessionnaires outside the group. These receivables were valued at their nominal value, as no information was known on the balance sheet date that would cast doubt on their recoverability. Deposits on assumed reinsurance business amounting to approximately EUR 28.2 million are due from intra-group cedents and result from proportional reinsurance treaties. They are discounted using a risk-adjusted interest rate.

Other receivables and other assets are stated at nominal value. As of December 31, 2019, no information was known that would affect the recoverability of the receivables.

The following table shows a comparison of the values of the assets in the statutory balance sheet with the values in the market-consistent balance sheet as at 31.12.2019.

| | Statutory value (valuation for annual report) | Market-consistent value (valuation for solvency purposes) | Differences |
|--|---|---|-------------|
| Position | in Mio. EUR | in Mio. EUR | in Mio. EUR |
| Real estate | 1,9 | 8,2 | 6,3 |
| Fixed-income securities | 1.222,3 | 1.282,1 | 59,7 |
| Loans | 215,0 | 215,1 | 0,1 |
| Other investments | 135,7 | 147,8 | 12,2 |
| Cash and cash equivalents | 25,1 | 25,1 | 0,0 |
| Share of technical provisions from reinsurance | 116,6 | 112,9 | -3,8 |
| Receivables from insurance activities and Deposits | 99,3 | 98,5 | -0,7 |
| Other receivables | 4,7 | 4,7 | 0,0 |
| Accrued and Fixed assets | 56,5 | 11,5 | -45,0 |
| Total | 1.877,0 | 1.905,9 | 28,9 |

Table10 Comparison of asset valuations

The statutory values were allocated to the items of the market-consistent balance sheet in such a way that a direct comparison can be made between the two values. For example, bond funds are included in the statutory balance sheet under fixed-income securities, but in the following table they are classified under collective investment schemes. The total value of the statutory assets is, independently of this, in line with the balance sheet in the 2019 financial statements.

The main differences in the principles and methods between the valuation for the annual report and the valuation for solvency purposes are described below.

| Position | Valuation for annual report | Valuation for solvency purposes |
|-------------------------------------|---|---|
| Real estate | Properties held are valued at acquisition cost plus value-adding investments and less any necessary value adjustments. | Real estate held is valued by an external real estate company in an expert opinion on the capitalised earnings value method. |
| Fixed-interest securities | Fixed-interest securities are valued on a straight-line basis using the cost amortization method, less any necessary operational write-downs on positions with a sustained loss in value. | Fixed-interest securities are valued at market value. |
| Loans | Loans are measured at nominal value less impairment. | The interest rate was derived on the basis of the characteristics of the loan and the debtor as well as a comparable bond of UNIQA Insurance Group AG on the capital market. The corresponding interest rate was also used for valuation at the discounted present value. |
| Collective investment schemes | Collective investment schemes are valued at the lower of acquisition cost or market value. | Collective investment schemes are valued at market value. |
| Receivables from insurance business | Receivables from insurance business are valued at nominal value. | Receivables from insurance business include deposits on cedents under proportional reinsurance contracts. These deposits with ceding companies are discounted using a risk-adjusted interest rate. Other receivables are valued at nominal value. |
| Other assets | Other assets include deferred acquisition costs from proportional contracts. These result from the ceded unearned premiums and the cession rate of the reinsurance treaty. | The deferred acquisition costs are set to zero. |

Table11 Differences in the valuation of assets

5.2. Market-consistent valuation of provisions for insurance obligations

The market-consistent value of the insurance obligations is composed of the best estimate of the insurance obligations and the market value margin pursuant to Art. 41 para. 3 GCI (the market value margin is discussed in Section **Fehler! Verweisquelle konnte nicht gefunden werden.**). The best estimate of insurance liabilities corresponds to the expected value of future contractually guaranteed cash flows discounted using a risk-free yield curve, considering the following principles (see Appendix 3 GCI): completeness, best estimate principle, timeliness and transparency.

The best estimate of UNIQA Re's insurance obligations as at 31 December 2019 is EUR 1330.3 million. Insurance obligations comprise unearned premium, insurance liabilities (life), reserves for losses and loss adjustment expenses and reserves for premium refund.

The following table shows the allocation of provisions for insurance obligations according to the types and classes of insurance as at 31.12.2019:

| Position | Best estimate of provisions for insurance liabilities | |
|--------------------------------------|---|-------------|
| | in EUR million | in % |
| Reserves for unearned premium | 140,1 | 10,5% |
| Loss reserves | 1.179,5 | 88,7% |
| <i>Accident</i> | 120,8 | 9,1% |
| <i>Health</i> | 2,9 | 0,2% |
| <i>Motor Third-Party Liability</i> | 436,6 | 32,8% |
| <i>Motor Hull</i> | 44,6 | 3,4% |
| <i>Transport</i> | 13,5 | 1,0% |
| <i>Property</i> | 168,5 | 12,7% |
| <i>General Third-Party Liability</i> | 358,6 | 27,0% |
| <i>Other</i> | 34,2 | 2,6% |
| Insurance liabilities (life) | 1,4 | 0,1% |
| Reserves for premium refund | 9,3 | 0,7% |
| Total | 1.330,3 | 100% |

Table12 Market-consistent valuation of provisions for insurance liabilities

Reserves for unearned premium

As the non-proportional treaties usually begin on 1st of January and their terms coincide with the financial year, UNIQA Re only calculates and provides unearned premium for the proportional business. The cedents determine locally the premium shares to be transferred, usually on a pro rata temporis basis. The reported unearned premiums are reduced by deferred, unamortized acquisition costs to approximate unearned premiums after deduction of costs. The market-consistent value of the obligations associated with the provision for unearned premiums is calculated by discounting the expected cash flow with the risk-free yield curve of the respective currency area.

Best estimate of gross loss reserves

The statutory best estimate provisions from proportional and non-proportional contracts are calculated separately by UNIQA Re (own calculation of IBNR provisions or best estimates). For this purpose, the reserves are divided into 23 reserving classes. The segmentation is based on an appropriate ratio between the homogeneity of the risks contained in each class and the volume of the corresponding reserves.

For each reserving class, run-off triangles consisting of ceded claims payments per accident and run-off year and triangles consisting of claims expenditure (including individual claims provisions) are formed. Based on these triangles, UNIQA Re estimates an IBNR provision per reserving class for losses not yet reported (IBNyR) or insufficiently reserved (IBNeR). The total of ceded individual case provisions and IBNR provisions then results in the statutory provisions for requirements.

Standard actuarial methods are used for the estimation. With the Paid and Incurred Chain Ladder methods, development factors are first calculated. The final claims levels are calculated by applying the run-off factors to the claims known at the balance sheet date. If necessary, a weighting takes place between the reserves from the Paid triangles and the reserves from the Incurred triangles. The weighting depends in particular on the reserving class. The statutory best estimate provisions are then calculated as the difference between the estimated ultimate amount and the claims payments (last diagonal).

Discounted best estimate of gross loss reserves

The basis for calculating the discounted best estimate provisions is the statutory best estimate provisions. In order to determine future cash flows, the run-off patterns are derived from the loss triangles.

The risk-free yield curve of the respective currency is used to discount future cash flows. The corresponding yield curves from the current SST template are used for the currencies CHF, USD and EUR. For the other currencies, risk-free yield curves based on government bonds are used where possible. The risk-free yield curves from the currency areas CZK, RSD and UAH are determined on the basis of swaps.

Other items

For obligations and unearned premiums in life reinsurance, the statutory value is considered as the best estimate of the obligation. Any adjustment is negligible due to the small volume. In addition, the statutory value was also considered for the reserves of premium refund.

The following table shows the comparison of the provisions for insurance obligations in the statutory balance sheet with the values in the market-consistent balance sheet as at 31.12.2019:

| | Statutory balance sheet value (valuation for annual report) | Best Estimate (valuation for solvency purposes) | Difference |
|---|--|--|----------------|
| Position | in EUR million | in EUR million | in EUR million |
| Reserves for unearned premium (gross) | 187,9 | 140,1 | -47,8 |
| Loss reserves and loss adjustment expenses (gross incl. Life) | 1.334,8 | 1.180,9 | -153,9 |
| Provisions for premium refund | 9,3 | 9,3 | 0,0 |
| Total | 1.532,1 | 1.330,3 | -201,7 |

Table13 Comparison of valuations for insurance obligations

The main differences in the principles and methods between the valuation for the annual report and the valuation for solvency purposes are described below.

| position | Valuation for annual report | Valuation for solvency purposes |
|--------------------------------------|---|---|
| Reserves for unearned premium | The unearned premiums are transferred after careful review, as reported by the cedents. They comprise the premium portion attributable to the period after the balance sheet date. Included acquisition costs are shown on the asset side as unamortized acquisition costs (no offsetting). | The reported unearned premiums are reduced by deferred, unamortized acquisition costs to approximate unearned premiums after deduction of costs. The market-consistent value of the obligations associated with the provisions for unearned premiums is calculated by discounting the expected cash flow with the risk-free yield curve of the respective currency. |
| Loss reserves | The reserves for losses and loss adjustment expenses in proportional reinsurance business are assumed after careful examination (comparison with actuarial estimates) as reported by the ceding companies. The best estimate provisions in non-proportional reinsurance business are calculated using actuarial methods. If the calculated best estimate provisions from non-proportional business exceed the provisions made by the cedent the difference is deducted from the provisions in the proportional business. In all cases, it is ensured that the statutory loss reserves are sufficient (in particular at least as high as their market-consistent value). | The loss reserves before/after retrocession from proportional and non-proportional reinsurance business are valued using actuarial methods as the best estimate of the insurance obligations (expected value of future contractually guaranteed cash flows discounted with a risk-free yield curve). |

Table14 Differences in the valuation of provisions for insurance obligations

5.3. Market Value Margin

Pursuant to Art. 41 para. 3 SO, the market value margin corresponds to the capital expenditure for the risk-bearing capital to be provided during the run-off period of the insurance liabilities. The market value margin of UNIQA Re as at 31.12.2019 is EUR 58.0 million.

In determining the market value margin, reference was made to the "Simplification 2 for P&C Companies" described in FINMA's publication "A Primer for Calculating the Swiss Solvency Test "Cost of Capital" for a Market Value Margin".

The future target capitals were derived from the development of the provisions as at 01.01.2019 ($t=0$) and the relation between the reserve risk and the best estimate of insurance liabilities. The best estimate of the obligations as at 31 December 2019 ($t=1$) was estimated based on the expected claim amount (net of reinsurance), the initial loss provision as at 1 January 2019 and a development model based on payment triangles.

It was assumed that the cash flow from loss reserves in $t=1$ could be fully and directly replicated by a portfolio of government bonds on the assets side. Accordingly, the non-hedgeable market risk of the obligations was set at zero and not projected into the future.

The credit risk was estimated in $t=1$ by scaling the credit risk to central banks and central governments in $t=0$ and was extrapolated in proportion to the settlement of best estimates.

As an effect of the scenarios, the difference between target capital before and after aggregation of the scenarios relevant for the risk margin was projected into the future in proportion to the settlement of the best estimates.

There were no other effects on the target capital as at 31.12.2019.

5.4. Market-consistent valuation of other liabilities

The following table shows the market-consistent value of other liabilities as at 31.12.2019:

| Market-consistent value | Other liabilities | |
|--|-------------------|---------------|
| Position | in EUR million | in % |
| Non-technical provisions | 0,1 | 0,2% |
| Liabilities from insurance business | 18,4 | 26,0% |
| Other liabilities (incl. Deposits retained on ceded reinsurance) | 0,3 | 0,4% |
| Accrued liabilities | 0,0 | 0,0% |
| Subordinated debts | 52,1 | 73,4% |
| Total | 71,0 | 100,0% |

Table15 Market value of other liabilities

Non-technical provisions consist of tax provisions and other provisions. The items liabilities from insurance business, other liabilities and accrued liabilities are valued at nominal value.

The item subordinated debts is a subordinated loan with a nominal value of EUR 50 million and a fixed duration, which UNIQA Insurance Group AG granted to UNIQA Re. The interest rate was determined on the basis of the characteristics of the loan and the borrower. The changed market conditions were considered when measuring the discounted present value as at 31 December 2019.

6. CAPITAL MANAGEMENT

Through capital management, UNIQA Re ensures that the company's capital resources are always appropriate. The main objective is to ensure that the available capital (the risk-bearing capital) is sufficient at all times to meet the regulatory capital requirements (Swiss Solvency Test). In order to ensure this over the time horizon of capital planning even under difficult conditions (e.g. after major loss events or material fluctuations in asset prices), an appropriate safety margin is sought. UNIQA Re's capital resources should therefore be structured in the medium term in such a way that at least an SST ratio of between 125% and 135% is maintained.

If the capital resources considerably exceed this target corridor in the long term, UNIQA Re can return any capital not required to the parent company as long as strategic planning permits. On the other hand, in the event of undercapitalisation, measures to strengthen the solvency ratio will be developed together with UNIQA Insurance Group AG. In general, the solvency ratio is steered by strategic measures that lead to a reduction in capital requirements and/or increase existing capital.

The ORSA process (Own Risk and Solvency Assessment), which is carried out at least once a year by UNIQA Re and includes a forward-looking self-assessment of the risk situation and capital requirements, represents the essential instrument for planning future capital requirements. Essential strategic decisions and input data from the planning process are included in the ORSA procedure in a

basic scenario and under adverse scenarios. It is therefore an essential component for meeting regulatory requirements, in particular current and future solvency requirements.

The time horizon for capital planning is the same as the time horizon for business planning and includes the five financial years following the current financial year. Accordingly, in ORSA 2019, the planning years 2020 to 2024 were considered in addition to the 2019 financial year. The capital requirement is projected on the basis of business performance planning (essentially expected premiums, costs and changes in underwriting provisions) and the targeted composition of investments (strategic asset allocation).

The following table shows the structure and amount of equity reported in the annual report as at 31 December 2019 and the reconciliation from the previous year.

| | 12/31/2018 | Allocation to statutory retained earnings | Allocation to voluntary retained earnings | Dividend distribution | Annual profit | 12/31/2019 |
|-----------------------------|----------------|---|---|-----------------------|----------------|----------------|
| Position | in EUR Million | in EUR Million | in EUR Million | in EUR Million | in EUR Million | in EUR Million |
| Share capital | 15,6 | 0,0 | 0,0 | 0,0 | 0,0 | 15,6 |
| Statutory capital reserve | 177,1 | 0,0 | 0,0 | 0,0 | 0,0 | 177,1 |
| Statutory retained earnings | 7,8 | 0,0 | 0,0 | 0,0 | 0,0 | 7,8 |
| Voluntary retained earnings | 21,1 | 0,0 | 0,0 | -20,0 | 67,3 | 68,4 |
| Equity | 221,6 | 0,0 | 0,0 | -20,0 | 67,3 | 268,9 |

Table16 Structure and amount of equity reported in the Annual Report

The share capital consists of 18'800 shares at CHF 1'000 each, which are exclusively owned by the owner UNIQA Insurance Group AG in Vienna (group holding company). The statutory capital reserve consists on the one hand of the reserve from capital contributions amounting to EUR 176.3 million. This essentially includes earlier subsidies from the then grandparent company UNIQA Versicherungen AG in Vienna (group holding company) to the equity of UNIQA Re and for the participation in the Italian UNIQA company UNIQA Assicurazioni Spa. UNIQA Re no longer holds this participation since the end of 2014. On the other hand, the statutory capital reserve also includes the organisational fund in the amount of EUR 0.8 million. The statutory retained earnings amount to 50% of the share capital. The voluntary retained earnings consisting of the profit carried forward from the previous year of EUR 1.1 million (after dividend distribution of EUR 20.0 million to UNIQA Insurance Group AG) and the annual profit for 2019 of EUR 67.3 million are thus the only equity component to have undergone a change in the reporting period.

As of 31 December 2019, the equity reported in the annual report amounted to EUR 268.9 million. The difference between the market-consistent value of assets and liabilities for solvency purposes amounted to EUR 504.5 million. The difference between the two amounts equals to EUR 235.6 million and results from the different treatment of individual positions in the respective valuation approach. The different methods and assumptions used in the valuation can be found in sections **Fehler! Verweisquelle konnte nicht gefunden werden.** and 5.2.

7. SOLVENCY

7.1. Models

Pursuant to Art. 42 para. 1 SO, the determination of the target capital in the SST is based on a model for quantifying the relevant risks, the evaluation of a number of scenarios, and an aggregation procedure that combines the results of the model and the scenario evaluation. The relevant market, credit and insurance risks were quantified in UNIQA Re's model for SST 2020.

The standard market risk model provided by FINMA was used to quantify market risk. Information on the standard model for market risks can be found in FINMA's document "Technical Description for the SST Standard Model Market Risk" dated 30.01.2020.

The standard model provided by FINMA was used to quantify the credit risk. Further information can be found in the FINMA document "Technical Description for the SST Standard Model Credit Risk" dated 31.10.2019.

The standard model for reinsurers (StandRe) prescribed by FINMA was used to quantify the insurance risk for SST 2020. In order to accurately reflect UNIQA Re's specific risk situation, certain company-specific adjustments were made to the standard model and approved by FINMA.

The structure of the StandRe model is specified by FINMA. It consists of various components, as the following graphic shows:

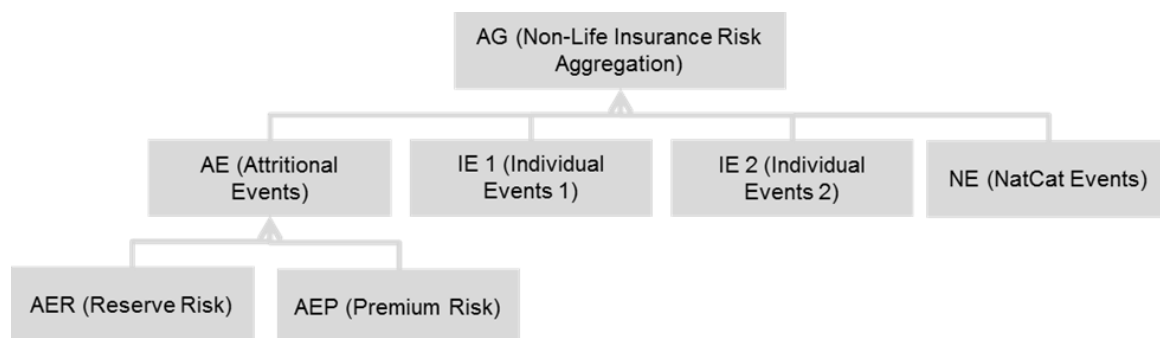


Figure 4 Structure of the Standard Model for Insurance Risks

The AE module maps the premium risk (AEP) and the reserve risk (AER) for normal losses. The IE1 and IE2 modules map the risk of large losses using scenarios. Natural catastrophes are mapped using the NE module. UNIQA Re uses a transitional internal model for the NE module, which was approved by FINMA on 08.01.2020. The various modules are aggregated in the AG module.

Further information on the modelling of the AEP, AER, IE1 and IE2 modules can be found in the FINMA document "Technical description of the SST standard model reinsurance (StandRe)" dated 31.10.2019.

The company-specific adjustments to the StandRe mainly relate to the modelling of large losses (IE1). In order to achieve detailed modelling of as many risk-relevant aspects as possible, modelling

is carried out on the basis of the original business of the cedents. Based on this modelling, the existing reinsurance treaties between the cedents and UNIQA Re as well as the existing retrocession treaties between UNIQA Re and external reinsurers are then applied in the AG module. It should be noted that the retrocession agreements are also based on the original losses of the cedents and therefore require a gross modelling, which is not provided for in the StandRe.

The NE module and thus the risk from natural perils is represented according to the type of peril (flood, earthquake, windstorm and hail) and the region using various vendor models, including IF Elements, EQECAT RQE, RMS RiskLink DLM and Willis WEHM eQUIP. For the same reasons as in the modelling of major losses, natural catastrophe losses are also modelled on the basis of the original exposure of the cedents. The application of inward and outward reinsurance also takes place in the AG module.

7.2. Target capital

Allocation of target capital

The target capital as at 31 December 2019 amounts to EUR 379.9 million. The following table shows the breakdown of target capital into its main components and a comparison with the previous year.

| | SST 2020 | SST 2019 | Changes |
|---|--------------|--------------|-------------|
| Position | in Mio. EUR | in Mio. EUR | in % |
| Market risk (centered) | 79,2 | 57,1 | 38,6% |
| Insurance risk (centered) | 212,9 | 208,0 | 2,3% |
| Diversification effect | -55,3 | -41,7 | 32,6% |
| Effect of the scenarios on the target capital | 10,5 | 9,6 | 8,8% |
| Credit risk | 53,1 | 52,2 | 1,7% |
| Expected insurance result | -29,1 | -31,2 | -6,9% |
| Expected financial result over risk | 7,5 | 6,5 | 15,9% |
| Market Value Margin | 58,0 | 55,4 | 4,7% |
| Additional effects on the target capital | 0,0 | 0,0 | 0,0% |
| Target capital | 379,9 | 365,5 | 4,0% |

Table17 Breakdown of target capital into its main components

UNIQA Re actively seeks the assumption of underwriting risks and assumes market risks where required by the business model. As a result, insurance risk is a key driver of target capital, followed by market risk. The mix of risks results in a significant diversification effect. The components of market risk and insurance risk are discussed in more detail in the following sections.

The high proportion of fixed-interest securities and loans in the investment portfolio, as well as actual and modelled receivables and recoverables from cedents and retrocessionaires, lead to a moderate credit risk.

The changes in market and insurance risk are discussed in more detail in the following sections.

The impact of the scenarios on the target capital is stable compared with SST 2019.

The expected underwriting result after retrocession as well as the expected gross profit improved compared to the previous year. The improvement is mainly attributable to the premium increase compared with the previous year and stable claims expectations.

The expected financial result improved slightly compared to the previous year.

The increase in the market value margin is mainly due to higher scenario impacts.

Distribution of market risk

The centered market risk (before diversification with insurance risk) amounted to EUR 79.2 million as at 31 December 2019. The following table shows the breakdown of market risk into its main components and compares the corresponding figures with those of the previous year.

| | SST 2020 | SST 2019 | Changes |
|-------------------------------|-------------|-------------|--------------|
| Position | in Mio. EUR | in Mio. EUR | in % |
| Standalone interest rate risk | 52,3 | 52,0 | 0,6% |
| Standalone spread risk | 80,3 | 57,7 | 39,1% |
| Standalone currency risk | 3,9 | 2,1 | 83,5% |
| Standalone equity risk | 13,0 | 5,5 | 136,8% |
| Standalone real estate risk | 0,6 | 0,5 | 23,2% |
| Diversification effect | -70,8 | -60,6 | 16,8% |
| Market risk | 79,2 | 57,1 | 38,6% |

Table 18 Breakdown of market risk into its main components

The main drivers of market risk are spread risk and interest rate risk. The reason for this is that the majority of UNIQA Re's investments are in fixed-interest securities. Changes in the level of interest rates and the spreads on the risk-free interest rate depending on the issuer therefore have a considerable impact on the value of the investments. Since government bonds in the EUR currency are sensitive to changes in risk spreads, spread risk is the biggest risk driver. Active asset-liability management (both in terms of duration and currency) means that the interest rate risk is kept within limits. The diversification effect results from the fact that not all risk factors are perfectly correlated, but certain balancing effects occur. The relatively small currency risk mainly results from gaps in currency matching and investments in currencies that are not represented on the liabilities side (e.g. USD) and vice versa. Following a new investment strategy, the equity share has increased, resulting in a higher equity risk.

The share of market risk (centered, before diversification) has increased compared with SST 2019. This effect is mainly attributable to a more risky allocation of the investments. Foreign currencies that are not specified in the SST (e.g. CZK, PLN, etc.) are mapped to one of the SST currencies (EUR).

Breakdown of insurance risk

The insurance risk (centered, before diversification with market risk) amounts to EUR 212.9 million. Table 19 shows the breakdown of the insurance risk into its main components and compares the corresponding figures with those of the previous year.

| | SST 2020 | SST 2019 | Changes |
|--|--------------|--------------|-------------|
| Position | in Mio. EUR | in Mio. EUR | in % |
| Reserve risk | 169,4 | 168,6 | 0,5% |
| Premium risk (before retrocession) | 479,3 | 477,4 | 0,4% |
| <i>of which Natural Catastrophes</i> | 469,8 | 471,0 | -0,3% |
| <i>of which attritional and large losses</i> | 156,4 | 113,8 | 37,5% |
| <i>Diversification effect within Premium risks</i> | -146,9 | -107,5 | 36,7% |
| Retrocession effect | -357,8 | -359,8 | -0,6% |
| Premium risk (after retrocession) | 121,6 | 117,6 | 3,4% |
| Diversification and other effects between Reserve and Premium risk | -78,0 | -78,1 | 0,0% |
| Insurance Risk | 212,9 | 208,0 | 2,3% |

Table 19 Breakdown of the underwriting risk into its main components

UNIQA Re's insurance risk is well balanced between premium risk and reserve risk, resulting in a significant diversification effect. A large part of the premium risk before retrocession is attributable to the coverage of natural hazard losses. However, retrocession also shows its greatest effect in this area, as UNIQA Re generally only bears a limited retention for each event. Retrocession is therefore the main means of reducing risk, both in terms of natural hazard losses and large losses. The losses from natural catastrophes are simulated independently of the attritional/large losses. This results in a significant diversification effect. The reserve risk is volume-driven, although there are line specific differences and the loss reserves from non-proportional treaties generally show a higher volatility (coefficient of variation) than the reserves for proportional treaties.

The target capital to cover insurance risks (centered, after diversification) increased by EUR 4.9 million compared with SST 2019. The increase is driven by higher frequency of large losses. The increase in natural catastrophe risk before retrocession is driven by an increase in exposure.

7.3. Risk-bearing capital

Table 20 shows the breakdown of risk-bearing capital into its main components and compares the corresponding figures with those of the previous year.

The subordinated loan of EUR 50 million (nominal value) with UNIQA Insurance Group AG (since December 2016) forms an essential component of the risk-bearing capital. In February 2017, FINMA approved the inclusion of this loan as lower supplementary capital in the SST.

The risk-bearing capital for SST 2020 amounts to EUR 526.7 million, EUR 45.0 million more than in the previous year.

| | SST 2020 | SST 2019 | Changes |
|--|--------------|--------------|--------------|
| Position | in Mio. EUR | in Mio. EUR | in % |
| Market-consistent value of investments | 1.653,2 | 1.602,6 | 3,2% |
| Market-consistent value of other assets | 252,7 | 281,4 | -10,2% |
| Best estimate of insurance liabilities | 1.330,3 | 1.350,9 | -1,5% |
| Market-consistent value of other liabilities | 71,0 | 82,1 | -13,5% |
| Difference between assets at market-consistent values and best estimates of liabilities | 504,5 | 451,0 | 11,9% |
| Deductions | 30,0 | 20,0 | — |
| Core capital | 474,5 | 431,0 | 10,1% |
| Supplementary capital | 52,1 | 50,6 | — |
| Risk bearing capital | 526,7 | 481,6 | 9,3% |

Table20 Breakdown of risk-bearing capital into its main components

Overall, the market-consistent value of assets rose from EUR 1,884.0 million to EUR 1,905.9 million (difference EUR 21.9 million), while the market-consistent value of liabilities decreased from EUR 1,433.0 million to EUR 1,401.4 million (difference EUR 31.7 million). The valuation of the subordinated loan, which can be included as supplementary capital (details of which can be found in Section 5.4), increased from 50.6 million to 52.1 million.

The significant increase in core capital before deduction of dividends is driven by the development in the 2019 financial year on an IFRS basis¹.

7.4. Solvency ratio

UNIQA Re's SST ratio as at 31.12.2019 is 145.6%². With regard to the risks quantified in SST 2020 and the overall risk profile analysed in the ORSA, solvency is considered sufficient.

The information on solvency (risk-bearing capital, target capital) corresponds to the information which UNIQA Re submitted to FINMA and which is subject to examination.

¹ UNIQA Re AG prepares annual financial statements on an IFRS basis for group purposes. These are not audited individual financial statements in accordance with recognized accounting standards in accordance with the Ordinance on Recognized Accounting Standards.

² For the definition of the SST quotient, see FINMA Circular 2017 03, Rz 62

8. APPENDICES

8.1. List of figures and tables

Figures

| | |
|---|----|
| Figure 1 Distribution of earned premiums in financial year 2019 | 7 |
| Figure 2 Shareholdings in UNIQA Re | 8 |
| Figure 3 Extended management board of UNIQA Re at 31.12.2019 | 15 |
| Figure 4 Structure of the Standard Model for Insurance Risks | 33 |

Tables

| | |
|---|----|
| Table 1 Aggregated income statement | 9 |
| Table 2 Underwriting result | 10 |
| Table 3 Underwriting result by segment | 11 |
| Table 4 Investment income and expenses | 12 |
| Table 5 Other income and expenses | 13 |
| Table 6 Overview of risk preferences | 15 |
| Table 7 Capital requirement (target capital) per risk category | 19 |
| Table 8 Credit risk exposure by rating | 22 |
| Table 9 Market-consistent value of assets | 25 |
| Table 10 Comparison of asset valuations | 26 |
| Table 11 Differences in the valuation of assets | 27 |
| Table 12 Market-consistent valuation of provisions for insurance liabilities | 28 |
| Table 13 Comparison of valuations for insurance obligations | 29 |
| Table 14 Differences in the valuation of provisions for insurance obligations | 30 |
| Table 15 Market value of other liabilities | 31 |
| Table 16 Structure and amount of equity reported in the Annual Report | 32 |
| Table 17 Breakdown of target capital into its main components | 34 |
| Table 18 Breakdown of market risk into its main components | 35 |
| Table 19 Breakdown of the underwriting risk into its main components | 36 |
| Table 20 Breakdown of risk-bearing capital into its main components | 37 |

8.2. List of abbreviations

| | |
|-----------|--|
| ALM | Asset Liability Management |
| AVO | Supervision Ordinance |
| AVO FINMA | FINMA Insurance Supervision Ordinance |
| CEO | Chief Executive Officer |
| CRO | Chief Risk Officer |
| FINMA | Swiss Financial Market Supervisory Authority |
| FMA | Financial Market Authority Austria |
| IBNR | Incurred but not reported |
| IBNeR | Incurred but not enough reserved |
| IBNyR | Incurred but not yet reported |
| IFRS | International Financial Reporting Standards |
| ICS | Internal Control System |
| NatCat | Natural catastrophe |
| OR | Code of Obligations |
| ORSA | Own Risk and Solvency Assessment |
| P&C | Property and Casualty |
| RS | Circular |
| SAA | Strategic Asset Allocation |
| SPV | Special Purpose Vehicle |
| SST | Swiss Solvency Test |
| VAG | Insurance Supervision Act |
| XL | Excess of loss reinsurance treaty |

8.3. Report of the statutory auditors to the general meeting on the annual financial statements

UNIQA Re AG
Zürich

Bericht der Revisionsstelle
an die Generalversammlung
zur Jahresrechnung 2019



Bericht der Revisionsstelle

an die Generalversammlung der UNIQA Re AG

Zürich

Bericht der Revisionsstelle zur Jahresrechnung

Als Revisionsstelle haben wir die beiliegende Jahresrechnung der UNIQA Re AG bestehend aus Bilanz, Erfolgsrechnung, Geldflussrechnung und Anhang für das am 31. Dezember 2019 abgeschlossene Geschäftsjahr geprüft.

Verantwortung des Verwaltungsrates

Der Verwaltungsrat ist für die Aufstellung der Jahresrechnung in Übereinstimmung mit den gesetzlichen Vorschriften und den Statuten verantwortlich. Diese Verantwortung beinhaltet die Ausgestaltung, Implementierung und Aufrechterhaltung eines internen Kontrollsystems mit Bezug auf die Aufstellung einer Jahresrechnung, die frei von wesentlichen falschen Angaben als Folge von Verstössen oder Irrtümern ist. Darüber hinaus ist der Verwaltungsrat für die Auswahl und die Anwendung sachgemässer Rechnungslegungsmethoden sowie die Vornahme angemessener Schätzungen verantwortlich.

Verantwortung der Revisionsstelle

Unsere Verantwortung ist es, aufgrund unserer Prüfung ein Prüfungsurteil über die Jahresrechnung abzugeben. Wir haben unsere Prüfung in Übereinstimmung mit dem schweizerischen Gesetz und den Schweizer Prüfungsstandards vorgenommen. Nach diesen Standards haben wir die Prüfung so zu planen und durchzuführen, dass wir hinreichende Sicherheit gewinnen, ob die Jahresrechnung frei von wesentlichen falschen Angaben ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen für die in der Jahresrechnung enthaltenen Wertansätze und sonstigen Angaben. Die Auswahl der Prüfungshandlungen liegt im pflichtgemässen Ermessen des Prüfers. Dies schliesst eine Beurteilung der Risiken wesentlicher falscher Angaben in der Jahresrechnung als Folge von Verstössen oder Irrtümern ein. Bei der Beurteilung dieser Risiken berücksichtigt der Prüfer das interne Kontrollsystem, soweit es für die Aufstellung der Jahresrechnung von Bedeutung ist, um die den Umständen entsprechenden Prüfungshandlungen festzulegen, nicht aber um ein Prüfungsurteil über die Wirksamkeit des internen Kontrollsystems abzugeben. Die Prüfung umfasst zudem die Beurteilung der Angemessenheit der angewandten Rechnungslegungsmethoden, der Plausibilität der vorgenommenen Schätzungen sowie eine Würdigung der Gesamtdarstellung der Jahresrechnung. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise eine ausreichende und angemessene Grundlage für unser Prüfungsurteil bilden.

Prüfungsurteil

Nach unserer Beurteilung entspricht die Jahresrechnung für das am 31. Dezember 2019 abgeschlossene Geschäftsjahr dem schweizerischen Gesetz und den Statuten.

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, CH-8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, Telefax: +41 58 792 44 10, www.pwc.ch

PricewaterhouseCoopers AG ist Mitglied eines globalen Netzwerks von rechtlich selbständigen und voneinander unabhängigen Gesellschaften.

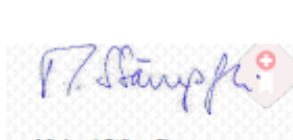
Berichterstattung aufgrund weiterer gesetzlicher Vorschriften

Wir bestätigen, dass wir die gesetzlichen Anforderungen an die Zulassung gemäss Revisionsaufsichtsgesetz (RAG) und die Unabhängigkeit (Art. 728 OR und Art. 11 RAG) erfüllen und keine mit unserer Unabhängigkeit nicht vereinbaren Sachverhalte vorliegen.

In Übereinstimmung mit Art. 728a Abs. 1 Ziff. 3 OR und dem Schweizer Prüfungsstandard 890 bestätigen wir, dass ein gemäss den Vorgaben des Verwaltungsrates ausgestaltetes internes Kontrollsystem für die Aufstellung der Jahresrechnung existiert.

Ferner bestätigen wir, dass der Antrag über die Verwendung des Bilanzgewinnes dem schweizerischen Gesetz und den Statuten entspricht, und empfehlen, die vorliegende Jahresrechnung zu genehmigen.

PricewaterhouseCoopers AG



Michael Stämpfli
 Revisionsexperte
 Leitender Revisor



Beat Walter
 Revisionsexperte

Zürich, 24. April 2020

Beilagen:

- Jahresrechnung (Bilanz, Erfolgsrechnung, Geldflussrechnung und Anhang)
- Antrag über die Verwendung des Bilanzgewinnes

UNIQA Re AG, Zürich

Jahresrechnung 2019

This document is classified as confidential

UNIQA Re AG
Jahresrechnung 2019

| A. Bilanz | 31.12.2019 | 31.12.2018 | 31.12.2019 | 31.12.2018 |
|--|----------------------|----------------------|----------------------|----------------------|
| 1. Aktiven | EUR | EUR | CHF | CHF |
| 1.1 Kapitalanlagen | 1'574'864'222 | 1'574'018'619 | 1'709'357'626 | 1'773'761'582 |
| 1.1.1 Immobilien | 1'892'816 | 1'939'685 | 2'054'462 | 2'185'831 |
| 1.1.2 Festverzinsliche Wertpapiere | 1'325'134'499 | 1'342'834'135 | 1'438'300'985 | 1'513'239'787 |
| 1.1.3 Darlehen | 215'000'000 | 215'000'000 | 233'361'000 | 242'283'500 |
| 1.1.4 Übrige Kapitalanlagen (Aktienfonds) | 32'836'907 | 14'244'799 | 35'641'179 | 16'052'464 |
| 1.2 Depotforderungen aus übernommener Rückversicherung | 28'968'776 | 32'378'000 | 31'442'709 | 36'486'768 |
| 1.3 Flüssige Mittel | 25'123'236 | 37'747'053 | 27'268'760 | 42'537'154 |
| 1.4 Anteil versicherungstechnische Rückstellungen aus Rückversicherung | 116'635'247 | 164'335'140 | 126'595'897 | 185'189'269 |
| 1.4.1 Prämienüberträge | 3'464'590 | 2'563'728 | 3'760'466 | 2'889'065 |
| 1.4.2 Rückstellungen für Versicherungsleistungen | 113'170'657 | 161'771'412 | 122'835'431 | 182'300'204 |
| 1.5 Sachanlagen | 93'516 | 115'956 | 101'502 | 130'671 |
| 1.6 Aktivierte Rückversicherungsprovisionen | 44'965'766 | 41'565'140 | 48'794'988 | 46'839'756 |
| 1.7 Forderungen aus dem Versicherungsgeschäft | 70'303'756 | 42'025'341 | 76'307'696 | 47'358'356 |
| 1.7.1 gegenüber Dritten | 23'210'329 | 8'458'640 | 25'192'491 | 9'532'041 |
| 1.7.2 gegenüber Konzerngesellschaften | 28'459'160 | 23'435'037 | 30'889'572 | 26'408'943 |
| 1.7.3 noch nicht verrechnete Prämien gegenüber Konzerngesellschaften | 18'634'267 | 10'131'664 | 20'225'633 | 11'417'372 |
| 1.8 Übrige Forderungen | 4'657'210 | 2'858'113 | 5'054'936 | 3'220'808 |
| 1.9 Aktive Rechnungsabgrenzungen | 11'415'030 | 11'501'887 | 12'389'874 | 12'961'476 |
| 1.10 Total Aktiven | 1'877'016'759 | 1'906'545'249 | 2'037'313'988 | 2'148'485'840 |

UNIQA Re AG
Jahresrechnung 2019

| A. Bilanz | 31.12.2019 | 31.12.2018 | 31.12.2019 | 31.12.2018 |
|--|----------------------|----------------------|----------------------|----------------------|
| 2. Passiven | EUR | EUR | CHF | CHF |
| 2.1. Versicherungstechnische Rückstellungen Brutto | 1'532'056'881 | 1'603'537'340 | 1'662'894'539 | 1'807'026'229 |
| 2.1.1 Prämienüberträge | 187'871'077 | 183'718'358 | 203'915'267 | 207'032'218 |
| 2.1.2 Rückstellungen für Versicherungsleistungen | 1'334'841'312 | 1'410'579'211 | 1'448'836'760 | 1'589'581'713 |
| 2.1.3 Rückstellungen für erfolgsunabhängige Prämienrückerstattung | 9'344'492 | 9'239'771 | 10'142'512 | 10'412'298 |
| 2.2 Nichtversicherungstechnische Rückstellungen | 7'286'109 | 550'477 | 7'908'343 | 620'333 |
| 2.3 Depotverbindlichkeiten aus abgegebener Rückversicherung | 0 | 24'043 | 0 | 27'094 |
| 2.4 Verbindlichkeiten aus dem Versicherungsgeschäft | 18'435'452 | 28'091'199 | 20'009'839 | 31'655'972 |
| 2.4.1 gegenüber Dritten | 10'405'322 | 17'775'503 | 11'293'936 | 20'031'214 |
| 2.4.2 gegenüber Konzerngesellschaften | 4'493'202 | 5'427'737 | 4'876'921 | 6'116'517 |
| 2.4.3 noch nicht verrechnete Prämien aus Rückversicherung (Dritte) | 3'536'928 | 4'887'959 | 3'838'982 | 5'508'241 |
| 2.5 Sonstige Passiven | 289'646 | 2'705'787 | 314'382 | 3'049'151 |
| 2.6 Passive Rechnungsabgrenzungen | 34'363 | 63'195 | 37'298 | 71'214 |
| 2.7 Nachrangige Verbindlichkeiten | 50'000'000 | 50'000'000 | 54'270'000 | 56'345'000 |
| 2.8 Total Fremdkapital | 1'608'102'451 | 1'684'972'041 | 1'745'434'401 | 1'898'794'993 |
| 2.9 Gesellschaftskapital | 15'573'227 | 15'573'227 | 18'800'000 | 18'800'000 |
| 2.10 Gesetzliche Kapitalreserven | 177'152'907 | 177'152'907 | 215'272'990 | 215'272'990 |
| 2.10.1 Reserve aus Kapitaleinlage | 176'324'544 | 176'324'544 | 214'272'990 | 214'272'990 |
| 2.10.2 Organisationsfonds | 828'363 | 828'363 | 1'000'000 | 1'000'000 |
| 2.11 Gesetzliche Gewinnreserven | 7'786'614 | 7'786'614 | 9'400'000 | 9'400'000 |
| 2.12 Freiwillige Gewinnreserven | 68'401'560 | 21'060'460 | 48'406'597 | 6'217'857 |
| 2.12.1 Gewinn- / Verlustvortrag | 1'060'460 | -1'941'343 | 6'952'419 | 2'971'641 |
| 2.12.2 Gewinn / Verlust | 67'341'100 | 23'001'803 | 74'910'240 | 26'518'778 |
| 2.12.3 Umrechnungsdifferenz | 0 | 0 | -33'456'062 | -23'272'562 |
| 2.13 Total Eigenkapital | 268'914'308 | 221'573'208 | 291'879'587 | 249'690'847 |
| 2.14 Total Passiven | 1'877'016'759 | 1'906'545'249 | 2'037'313'988 | 2'148'485'840 |

UNIQA Re AG
Jahresrechnung 2019

| B. Erfolgsrechnung | 1.1. - 31.12.2019 | 1.1. - 31.12.2018 | 1.1. - 31.12.2019 | 1.1. - 31.12.2018 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | EUR | EUR | CHF | CHF |
| 1 Bruttoprämie | 1'072'323'055 | 1'044'797'437 | 1'192'852'166 | 1'204'546'965 |
| 2 Anteil Rückversicherer an Bruttoprämie | -61'947'420 | -64'660'037 | -68'910'310 | -74'546'557 |
| 3 Prämie für eigene Rechnung | 1'010'375'635 | 980'137'400 | 1'123'941'856 | 1'130'000'408 |
| 4 Veränderung der Prämienüberträge | 5'381'464 | -8'738'599 | 5'986'341 | -10'074'731 |
| 5 Anteil Rückversicherer an der Veränderung der Prämienüberträge | 1'874'465 | -3'793'474 | 2'085'155 | -4'373'496 |
| 6 Verdiente Prämien für eigene Rechnung | 1'017'831'684 | 987'806'327 | 1'132'018'362 | 1'116'662'181 |
| 7 Sonstige Erträge aus dem Versicherungsgeschäft | 937'268 | 1'038'431 | 1'042'617 | 1'197'207 |
| 8 Total Erträge aus dem versicherungstechnischen Geschäft | 1'018'688'952 | 988'843'758 | 1'133'065'989 | 1'118'748'388 |
| 9 Zahlungen für Versicherungsfälle brutto | -755'053'821 | -648'122'567 | -839'921'870 | -747'220'507 |
| 10 Anteil Rückversicherer an Zahlungen für Versicherungsfälle | 95'136'193 | 13'815'942 | 105'829'501 | 15'928'400 |
| 11 Veränderung der Rückstellungen für Versicherungsleistungen brutto | 75'106'550 | -104'738'539 | 83'548'526 | -120'753'062 |
| 12 Anteil Rückversicherer an der Veränderung der Rückstellungen für Versicherungsleistungen | -49'361'245 | 93'060'266 | -54'909'449 | 107'289'181 |
| 13 Aufwendungen für Versicherungsfälle für eigene Rechnung | -834'172'323 | -845'884'888 | -706'463'282 | -744'766'888 |
| 14 Abschluss- und Verwaltungsaufwand | -306'136'795 | -302'485'995 | -340'546'571 | -348'736'104 |
| 15 Anteil Rückversicherer an Abschluss und Verwaltungsaufwand | 3'196'144 | 3'317'822 | 3'555'391 | 3'825'117 |
| 16 Abschluss- und Verwaltungsaufwand für eigene Rechnung | -302'940'651 | -299'168'173 | -338'991'180 | -344'910'987 |
| 17 Sonstige versicherungstechnische Aufwendungen für eigene Rechnung | -24'386'867 | -20'336'518 | -27'127'951 | -23'445'972 |
| 17.1 erfolgsunabhängige Prämienrückerstattung | -12'189'481 | -11'825'310 | -13'559'579 | -13'633'400 |
| 17.2 versicherungstechnische Steuern | -12'197'386 | -8'511'208 | -13'568'372 | -9'812'572 |
| 18 Total Aufwendungen aus dem versicherungstechnischen Geschäft | -861'489'841 | -865'488'589 | -1'088'672'423 | -1'113'112'947 |
| 19 Erträge aus Kapitalanlagen | 30'003'580 | 27'013'173 | 33'375'982 | 31'143'487 |
| 20 Aufwendungen für Kapitalanlagen | -5'872'304 | -13'131'328 | -6'532'351 | -15'139'108 |
| 21 Kapitalanlageergebnis | 24'131'276 | 13'881'846 | 26'843'631 | 16'004'379 |
| 22 Operatives Ergebnis | 81'200'287 | 17'038'014 | 80'327'177 | 18'840'820 |
| 23 Zinsaufwendungen für verzinsliche Verbindlichkeiten | -2'900'000 | -2'900'000 | -3'225'960 | -3'343'410 |
| 24 Sonstige Erträge | 1'751'736 | 9'283'293 | 1'948'631 | 10'702'708 |
| 25 Sonstige Aufwendungen | -5'453'668 | -379'825 | -6'066'660 | -437'900 |
| 26 Gewinn / Verlust vor Steuern | 74'688'336 | 23'038'482 | 82'883'188 | 28'682'218 |
| 27 Direkte Steuern | -7'257'235 | -37'679 | -8'072'948 | -43'440 |
| 28 Gewinn / Verlust | 67'431'100 | 23'001'803 | 74'810'240 | 28'638'778 |

UNIQA Re AG
Jahresrechnung 2019

| C. Geldflussrechnung | 1.1. - 31.12.2019 | 1.1. - 31.12.2018 | 1.1. - 31.12.2019 | 1.1. - 31.12.2018 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | EUR | EUR | CHF | CHF |
| Veränderungen aus Versicherungsgeschäft | -16'716'953 | 158'915'521 | -18'595'938 | 183'213'704 |
| Veränderungen aus Kapitalanlagen | 36'030'196 | -194'585'270 | 40'079'991 | -224'337'357 |
| Veränderungen aus Sonstigem | -9'039'762 | -4'891'470 | -10'055'832 | -5'639'375 |
| Geldfluss aus Geschäftstätigkeit | 10'273'481 | -40'561'218 | 11'428'220 | -46'763'029 |
| Kauf von Sachanlagen | -643 | -14'201 | -715 | -16'372 |
| Verkauf von Sachanlagen | 0 | 57'967 | 0 | 66'831 |
| Geldfluss aus Investitionstätigkeit | -643 | 43'767 | -715 | 50'458 |
| Grundkapitalerhöhung | 0 | 0 | 0 | 0 |
| Dividendenzahlungen | -20'000'000 | 0 | -22'248'000 | 0 |
| Einzahlungen aus sonstiger Finanzierungstätigkeit | 0 | 0 | 0 | 0 |
| Auszahlungen aus sonstiger Finanzierungstätigkeit | -2'900'000 | -2'900'000 | -3'225'960 | -3'343'410 |
| Geldfluss aus Finanzierungstätigkeit | -22'900'000 | -2'900'000 | -25'473'960 | -3'343'410 |
| Währungskursdifferenzen | 3'345 | 51'647 | -1'221'939 | -2'325'132 |
| Veränderung der flüssigen Mittel | -12'623'817 | -43'365'805 | -15'268'394 | -52'381'112 |
| Bestand flüssige Mittel zu Beginn des Geschäftsjahres | 37'747'053 | 81'112'858 | 42'537'154 | 94'918'266 |
| Bestand flüssige Mittel am Ende des Geschäftsjahres | 25'123'236 | 37'747'053 | 27'268'760 | 42'537'154 |
| Veränderung der flüssigen Mittel | -12'623'817 | -43'365'805 | -15'268'394 | -52'381'112 |

UNIQA Re AG

Jahresrechnung 2019

D. Anhang

Zahlen in EUR

Grundsätze der Rechnungslegung

Die Jahresrechnung wurde in Übereinstimmung mit den Bestimmungen über die kaufmännische Buchführung des Schweizerischen Obligationenrechts (Art. 957-963b OR, gültig ab 1. Januar 2013) erstellt. Neben dem Schweizerischen Obligationenrecht wurden auch die Bestimmungen der Verordnung der Eidgenössischen Finanzmarktaufsicht über die Beaufsichtigung von privaten Versicherungsunternehmen (Art. 5-6a AVO-FINMA, gültig ab 15. Dezember 2015) angewendet.

Funktional- und Berichtswährung Euro

Aufgrund der Tatsache, dass der grösste Teil der Geschäftstätigkeit der UNIQA Re AG in der Währung Euro stattfindet, hat sich die Gesellschaft entschlossen ihre Bücher ab dem Geschäftsjahr 2013 in Funktionalwährung Euro zu führen. Zu diesem Zweck wurden sämtliche Positionen der Bilanz per 31. Dezember 2012 mit Stichtag 1. Januar 2013 zum Kurs EUR/CHF von 1.2072 in Euro umgerechnet.

Für die Erstellung der hier vorliegenden Jahresrechnung 2019 in Berichtswährung Euro wurden die Angaben in Schweizer Franken wie folgt umgerechnet:
Aktiva und Verbindlichkeiten zum Stichtagskurs EUR/CHF per 31. Dezember 2019 von 1.0854.

Eigenkapital zu historischen Stichtagskursen EUR/CHF.

Erfolgsrechnung sowie die Veränderung des Eigenkapitals zum Jahresdurchschnittskurs 2019 EUR/CHF von 1.1124.

Die daraus entstandene Währungskursdifferenz wird im Eigenkapital bei den Freiwilligen Gewinnreserven unter der Position "Umrechnungsdifferenz" dargestellt.

Bewertungsgrundsätze

Die Bewertung erfolgt nach einheitlichen Kriterien. Aktiven und Passiven werden einzeln bewertet.

Kapital-/Sachanlagen:

Die Immobilien und Sachanlagen werden zu Anschaffungs- oder Herstellungskosten abzüglich Abschreibungen und abzüglich Wertberichtigungen bewertet. Diese Positionen werden linear abgeschrieben.

Festverzinsliche Wertpapiere werden linear nach der Kostenamortisationsmethode bewertet, abzüglich der betriebsnotwendigen Wertberichtigung auf Positionen mit nachhaltigem Wertverlust.

Darlehen werden zum Nominalwert abzüglich Wertverminderungen bewertet.

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Aktien und kollektive Anlagen werden zu Anschaffungskosten oder zum tieferen Marktwert bilanziert (Niederstwertprinzip).

Versicherungstechnische Rückstellungen:

Dabei handelt es sich um Verpflichtungen gegenüber den Zedenten, die auf Basis der Rückversicherungsverträge ermittelt werden. Die Berechnung erfolgt auf der Basis der mit der FINMA vereinbarten Geschäftspläne.

Angaben, Aufschlüsselungen und Erläuterungen zu Positionen der Bilanz

a. Angaben zur aktiven Rechnungsabgrenzung

| | <u>31.12.2019</u> | <u>31.12.2018</u> |
|---|-------------------|-------------------|
| Anteilige Zinsen Darlehen | 130'194 | 130'194 |
| Anteilige Zinsen Festverzinsliche Wertpapiere | 11'242'726 | 11'332'246 |
| Sonstige Abgrenzungen | 42'110 | 39'447 |
| Total | 11'415'030 | 11'501'887 |

b. Aufgliederung der versicherungstechnischen Rückstellungen

| <u>31.12.2019</u> | Brutto | Rück- Versicherung | eigene Rech- nung (netto) |
|--|----------------------|-----------------------|------------------------------|
| Prämienüberträge | 187'871'077 | 3'464'590 | 184'406'487 |
| Rückstellungen für Versicherungsleistungen | 1'334'841'312 | 113'170'657 | 1'221'670'655 |
| Rückstellungen für erfolgsunabhängige Prämienrückerstattung | 9'344'492 | 0 | 9'344'492 |
| Total | 1'532'056'881 | 116'635'247 | 1'415'421'634 |

31.12.2018

| | | | |
|--|----------------------|--------------------|----------------------|
| Prämienüberträge | 183'718'358 | 2'563'728 | 181'154'630 |
| Rückstellungen für Versicherungsleistungen | 1'410'579'211 | 161'771'412 | 1'248'807'799 |
| Rückstellungen für erfolgsunabhängige Prämienrückerstattung | 9'239'771 | 0 | 9'239'771 |
| Total | 1'603'537'340 | 164'335'140 | 1'439'202'200 |

c. Angaben zur passiven Rechnungsabgrenzung

| | <u>31.12.2019</u> | <u>31.12.2018</u> |
|---------------------------------------|-------------------|-------------------|
| Abgrenzung Ferienguthaben Mitarbeiter | 34'363 | 63'195 |
| Total | 34'363 | 63'195 |

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d. Angaben zum Eigenkapital

| | Gesellschafts- kapital | Gesetzliche Kapitalreserve | Gesetzliche Gewinnreserve |
|---|---------------------------|-------------------------------|------------------------------|
| Stand per 1.1.2019 | 15'573'227 | 177'152'907 | 7'786'614 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 | 0 |
| Dividendenausschüttung | 0 | 0 | 0 |
| Jahresgewinn | 0 | 0 | 0 |
| Stand per 31.12.2019 | 15'573'227 | 177'152'907 | 7'786'614 |
| | | Freiwillige Gewinnreserve | Total Eigenkapital |
| Stand per 1.1.2019 | | 21'060'460 | 221'573'208 |
| Zuweisung an gesetzliche Gewinnreserven | | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | | 0 | 0 |
| Dividendenausschüttung | | -20'000'000 | -20'000'000 |
| Jahresgewinn | | 67'341'100 | 67'341'100 |
| Stand per 31.12.2019 | | 68'401'560 | 268'914'308 |
| | Gesellschafts- kapital | Gesetzliche Kapitalreserve | Gesetzliche Gewinnreserve |
| Stand per 1.1.2018 | 15'573'227 | 177'152'907 | 7'786'614 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 | 0 |
| Dividendenausschüttung | 0 | 0 | 0 |
| Jahresgewinn | 0 | 0 | 0 |
| Stand per 31.12.2018 | 15'573'227 | 177'152'907 | 7'786'614 |
| | | Freiwillige Gewinnreserve | Total Eigenkapital |
| Stand per 1.1.2018 | | -1'941'343 | 198'571'405 |
| Zuweisung an gesetzliche Gewinnreserven | | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | | 0 | 0 |
| Dividendenausschüttung | | 0 | 0 |
| Jahresgewinn | | 23'001'803 | 23'001'803 |
| Stand per 31.12.2018 | | 21'060'460 | 221'573'208 |

e. Angaben zu Forderungen und Verbindlichkeiten aus dem Versicherungsgeschäft

Sämtliche Forderungen und Verbindlichkeiten aus dem Versicherungsgeschäft bestehen gegenüber Versicherungsunternehmen. Es bestehen keine Forderungen gegenüber Versicherungsnehmer oder Agenten und Vermittler.

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f. Angaben zu Forderungen und Verbindlichkeiten gegenüber Nahestehenden

| <u>2019</u> | Aktionärin UNIQA Insurance Group AG |
|---|-------------------------------------|
| Darlehen (Laufzeit bis 21.12.2022 - Zins 2,18%) | 215'000'000 |
| Nachrangige Verbindlichkeit (Laufzeit bis 21.12.2026 - Zins 5,8%) | -50'000'000 |
| <u>2018</u> | Aktionärin UNIQA Insurance Group AG |
| Darlehen (Laufzeit bis 21.12.2022 - Zins 2,18%) | 215'000'000 |
| Nachrangige Verbindlichkeit (Laufzeit bis 21.12.2026 - Zins 5,8%) | -50'000'000 |

Angaben, Aufschlüsselungen und Erläuterungen zu Positionen der Erfolgsrechnung

g. Aufgliederung der Veränderung der versicherungstechnischen Rückstellungen

| <u>2019</u> | Brutto | Rück- Versicherung | eigene Rech- nung (netto) |
|--|---------------------|-----------------------|------------------------------|
| Prämienüberträge | 5'381'464 | 1'874'465 | 7'255'929 |
| Rückstellungen für Versicherungsleistungen | 75'106'550 | -49'361'245 | 25'745'305 |
| Total | 80'488'014 | -47'486'780 | 33'001'234 |
| <u>2018</u> | | | |
| Prämienüberträge | -8'738'599 | -3'793'474 | -12'532'073 |
| Rückstellungen für Versicherungsleistungen | -104'738'539 | 93'060'266 | -11'678'273 |
| Total | -113'477'138 | 89'266'792 | -24'210'346 |

h. Angaben zu in der Jahresrechnung berücksichtigten Honoraren der Revisionsstelle

| | <u>2019</u> | <u>2018</u> |
|--|----------------|----------------|
| Revisionsdienstleistungen | 97'267 | 75'462 |
| Beratungsdienstleistungen im Bereich Steuern | 29'395 | 23'949 |
| Sonstige Beratungsdienstleistungen | 37'313 | 22'795 |
| Total | 163'975 | 122'206 |

i. Angaben zu den Erträgen aus Kapitalanlagen

| <u>2019</u> | Erträge | Zu- schreibungen | Realisierte Gewinne |
|------------------------------|------------|---------------------|------------------------|
| Immobilien | 294'741 | 0 | 0 |
| Festverzinsliche Wertpapiere | 17'612'123 | 2'537'478 | 3'460'045 |

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| | | | |
|-----------------------|-------------------|------------------|------------------|
| Darlehen | 4'752'097 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 847'096 |
| Total | 22'658'961 | 2'537'478 | 4'307'141 |

| | | | |
|------------------------------|-------------------|---------------------|------------------------|
| <u>2018</u> | Erträge | Zu- schreibungen | Realisierte Gewinne |
| Immobilien | 278'156 | 0 | 0 |
| Festverzinsliche Wertpapiere | 15'763'054 | 0 | 3'886'719 |
| Darlehen | 4'752'097 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 1'819'931 |
| Total | 20'793'307 | 0 | 5'706'650 |

j. Angaben zu den Aufwendungen für Kapitalanlagen

| | | | |
|------------------------------|----------------|---------------------------------|-------------------------|
| <u>2019</u> | Aufwände | Abschr./Wert- berichtigungen | Realisierte Verluste |
| Immobilien | 104'304 | 46'868 | 0 |
| Festverzinsliche Wertpapiere | 0 | 1'568'255 | 2'763'088 |
| Darlehen | 0 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 0 |
| Total | 104'304 | 1'615'123 | 2'763'088 |

| | | | |
|------------------------------|---------------|------------------|------------------|
| <u>2018</u> | | | |
| Immobilien | 97'692 | 46'868 | 0 |
| Festverzinsliche Wertpapiere | 0 | 7'840'355 | 1'029'081 |
| Darlehen | 0 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 0 |
| Total | 97'692 | 7'887'223 | 1'029'081 |

k. Angaben zum Personalaufwand

Der Personalaufwand für das Geschäftsjahr 2019 beträgt 3.380.761 (für das Geschäftsjahr 2018 betrug dieser 3.021.280).

l. Angaben zu den Abschreibungen

| | | |
|--------------|---------------|---------------|
| | <u>2019</u> | <u>2018</u> |
| Sachanlagen | 28'368 | 42'349 |
| Total | 28'368 | 42'349 |

m. Angaben zu den Aktiven unter Eigentumsvorbehalt

| | | |
|--------------------------------|-------------|-------------|
| | <u>2019</u> | <u>2018</u> |
| Standby Letter of Credit | 528'752 | 976'146 |
| Wertpapierdepot in Währung CZK | 0 | 0 |

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Total

528'752

976'146

n. Angaben zu den Vollzeitstellen

Die Anzahl der Vollzeitstellen im Jahresdurchschnitt lag sowohl im Berichtsjahr als auch im Vorjahr über 10 aber unter 50.

Nach dem Bilanzstichtag eingetretene Ereignisse

Die rasche Ausbreitung des Coronavirus, das inzwischen zur Pandemie erklärt wurde, und die Massnahmen, die zur Eindämmung des Virus auf zunehmend globaler Ebene ergriffen werden, haben zu einer erheblichen Volatilität auf den Finanzmärkten und zu Beeinträchtigungen des weltweiten Geschäfts und der globalen Konjunktur geführt. Die Wahrscheinlichkeit steigt, dass sich das Coronavirus und die damit verbundenen Eindämmungsmassnahmen negativ auf die Konjunktur auswirken und möglicherweise zu einer weltweiten Rezession führen könnten. UNIQA Re AG beobachtet die Entwicklung, die potenziellen Auswirkungen der Infektion und die weltweiten Reaktionen, z.B. hinsichtlich Vermögenspreisen, Versicherungsexponierungen und der eigenen Geschäftstätigkeit.

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UNIQA Re AG Jahresrechnung 2019

D. Anhang

Zahlen in CHF

Grundsätze der Rechnungslegung

Die Jahresrechnung wurde in Übereinstimmung mit den Bestimmungen über die kaufmännische Buchführung des Schweizerischen Obligationenrechts (Art. 957-963b OR, gültig ab 1. Januar 2013) erstellt. Neben dem Schweizerischen Obligationenrecht wurden auch die Bestimmungen der Verordnung der Eidgenössischen Finanzmarktaufsicht über die Beaufsichtigung von privaten Versicherungsunternehmen (Art. 5-6a AVO-FINMA, gültig ab 15. Dezember 2015) angewendet.

Funktional- und Berichtswährung Euro

Aufgrund der Tatsache, dass der grösste Teil der Geschäftstätigkeit der UNIQA Re AG in der Währung Euro stattfindet, hat sich die Gesellschaft entschlossen ihre Bücher ab dem Geschäftsjahr 2013 in Funktionalwährung Euro zu führen. Zu diesem Zweck wurden sämtliche Positionen der Bilanz per 31. Dezember 2012 mit Stichtag 1. Januar 2013 zum Kurs EUR/CHF von 1.2072 in Euro umgerechnet.

Für die Erstellung der hier vorliegenden Jahresrechnung 2019 in Berichtswährung Euro wurden die Angaben in Schweizer Franken wie folgt umgerechnet:
Aktiva und Verbindlichkeiten zum Stichtagskurs EUR/CHF per 31. Dezember 2019 von 1.0854.

Eigenkapital zu historischen Stichtagskursen EUR/CHF.

Erfolgsrechnung sowie die Veränderung des Eigenkapitals zum Jahresdurchschnittskurs 2019 EUR/CHF von 1.1124.

Die daraus entstandene Währungskursdifferenz wird im Eigenkapital bei den Freiwilligen Gewinnreserven unter der Position "Umrechnungsdifferenz" dargestellt.

Bewertungsgrundsätze

Die Bewertung erfolgt nach einheitlichen Kriterien. Aktiven und Passiven werden einzeln bewertet.

Kapital-/Sachanlagen:

Die Immobilien und Sachanlagen werden zu Anschaffungs- oder Herstellungskosten abzüglich Abschreibungen und abzüglich Wertberichtigungen bewertet. Diese Positionen werden linear abgeschrieben.

Festverzinsliche Wertpapiere werden linear nach der Kostenamortisationsmethode bewertet, abzüglich der betriebsnotwendigen Wertberichtigung auf Positionen mit nachhaltigem Wertverlust.

Darlehen werden zum Nominalwert abzüglich Wertverminderungen bewertet.

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Aktien und kollektive Anlagen werden zu Anschaffungskosten oder zum tieferen Marktwert bilanziert (Niederstwertprinzip).

Versicherungstechnische Rückstellungen:

Dabei handelt es sich um Verpflichtungen gegenüber den Zedenten, die auf Basis der Rückversicherungsverträge ermittelt werden. Die Berechnung erfolgt auf der Basis der mit der FINMA vereinbarten Geschäftspläne.

Angaben, Aufschlüsselungen und Erläuterungen zu Positionen der Bilanz

a. Angaben zur aktiven Rechnungsabgrenzung

| | <u>31.12.2019</u> | <u>31.12.2018</u> |
|---|-------------------|-------------------|
| Anteilige Zinsen Darlehen | 141'313 | 146'716 |
| Anteilige Zinsen Festverzinsliche Wertpapiere | 12'202'855 | 12'770'308 |
| Sonstige Abgrenzungen | 45'706 | 44'453 |
| Total | 12'389'874 | 12'961'476 |

b. Aufgliederung der versicherungstechnischen Rückstellungen

| <u>31.12.2019</u> | Brutto | Rück- Versicherung | eigene Rech- nung (netto) |
|--|----------------------|-----------------------|------------------------------|
| Prämienüberträge | 203'915'267 | 3'760'466 | 200'154'801 |
| Rückstellungen für Versicherungsleistungen | 1'448'836'760 | 122'835'431 | 1'326'001'329 |
| Rückstellungen für erfolgsunabhängige Prämienrückerstattung | 10'142'512 | 0 | 10'142'512 |
| Total | 1'662'894'539 | 126'595'897 | 1'536'298'642 |

31.12.2018

| | | | |
|--|----------------------|--------------------|----------------------|
| Prämienüberträge | 207'032'218 | 2'889'065 | 204'143'153 |
| Rückstellungen für Versicherungsleistungen | 1'589'581'713 | 182'300'204 | 1'407'281'509 |
| Rückstellungen für erfolgsunabhängige Prämienrückerstattung | 10'412'298 | 0 | 10'412'298 |
| Total | 1'807'026'228 | 185'189'269 | 1'621'836'959 |

c. Angaben zur passiven Rechnungsabgrenzung

| | <u>31.12.2019</u> | <u>31.12.2018</u> |
|---------------------------------------|-------------------|-------------------|
| Abgrenzung Ferienguthaben Mitarbeiter | 37'298 | 71'214 |
| Total | 37'298 | 71'214 |

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d. Angaben zum Eigenkapital

| | Gesellschafts- kapital | Gesetzliche Kapitalreserve | Gesetzliche Gewinnreserve |
|---|---------------------------|-------------------------------|------------------------------|
| Stand per 1.1.2019 | 18'800'000 | 215'272'990 | 9'400'000 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 | 0 |
| Dividendenausschüttung | 0 | 0 | 0 |
| Jahresgewinn | 0 | 0 | 0 |
| Stand per 31.12.2019 | 18'800'000 | 215'272'990 | 9'400'000 |

| | Freiwillige Gewinnreserve | Total Eigenkapital |
|---|------------------------------|-----------------------|
| Stand per 1.1.2019 | 6'217'857 | 249'690'847 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 |
| Dividendenausschüttung | -22'538'000 | -22'538'000 |
| Jahresgewinn | 74'910'240 | 74'910'240 |
| Umrechnungsdifferenz | -10'183'500 | -10'183'500 |
| Stand per 31.12.2019 | 48'406'597 | 291'879'587 |

| | Gesellschafts- kapital | Gesetzliche Kapitalreserve | Gesetzliche Gewinnreserve |
|---|---------------------------|-------------------------------|------------------------------|
| Stand per 1.1.2018 | 18'800'000 | 215'272'990 | 9'400'000 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 | 0 |
| Dividendenausschüttung | 0 | 0 | 0 |
| Jahresgewinn | 0 | 0 | 0 |
| Stand per 31.12.2018 | 18'800'000 | 215'272'990 | 9'400'000 |

| | Freiwillige Gewinnreserve | Total Eigenkapital |
|---|------------------------------|-----------------------|
| Stand per 1.1.2018 | -11'104'732 | 232'368'258 |
| Zuweisung an gesetzliche Gewinnreserven | 0 | 0 |
| Zuweisung an freiwillige Gewinnreserven | 0 | 0 |
| Dividendenausschüttung | 0 | 0 |
| Jahresgewinn | 26'518'778 | 26'518'778 |
| Umrechnungsdifferenz | -9'196'189 | -9'196'189 |
| Stand per 31.12.2018 | 6'217'857 | 249'690'847 |

e. Angaben zu Forderungen und Verbindlichkeiten aus dem Versicherungsgeschäft

Sämtliche Forderungen und Verbindlichkeiten aus dem Versicherungsgeschäft bestehen gegenüber Versicherungsunternehmen. Es bestehen keine Forderungen gegenüber

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Versicherungsnehmer oder Agenten und Vermittler.

f. Angaben zu Forderungen und Verbindlichkeiten gegenüber Nahestehenden

2019 Aktionärin UNIQA Insurance Group AG

| | |
|---|-------------|
| Darlehen (Laufzeit bis 21.12.2022 - Zins 2,18%) | 233'361'000 |
| Nachrangige Verbindlichkeit (Laufzeit bis 21.12.2026 - Zins 5,8%) | -54'270'000 |

2018 Aktionärin UNIQA Insurance Group AG

| | |
|---|-------------|
| Darlehen (Laufzeit bis 21.12.2022 - Zins 2,18%) | 242'283'500 |
| Nachrangige Verbindlichkeit (Laufzeit bis 21.12.2026 - Zins 5,8%) | -56'345'000 |

Angaben, Aufschlüsselungen und Erläuterungen zu Positionen der Erfolgsrechnung

g. Aufgliederung der Veränderung der versicherungstechnischen Rückstellungen

| <u>2019</u> | Brutto | Rück- Versicherung | eigene Rech- nung (netto) |
|--|-------------------|-----------------------|------------------------------|
| Prämienüberträge | 5'986'341 | 2'085'155 | 8'071'495 |
| Rückstellungen für Versicherungsleistungen | 83'548'526 | -54'909'449 | 28'639'077 |
| Total | 89'534'867 | -52'824'294 | 36'710'573 |

| <u>2018</u> | | | |
|--|---------------------|--------------------|--------------------|
| Prämienüberträge | -10'074'731 | -4'373'496 | -14'448'227 |
| Rückstellungen für Versicherungsleistungen | -120'753'062 | 107'289'181 | -13'463'881 |
| Total | -130'827'792 | 102'915'684 | -27'912'108 |

h. Angaben zu in der Jahresrechnung berücksichtigten Honoraren der Revisionsstelle

| | <u>2019</u> | <u>2018</u> |
|--|----------------|----------------|
| Revisionsdienstleistungen | 108'200 | 87'000 |
| Beratungsdienstleistungen im Bereich Steuern | 32'699 | 27'611 |
| Sonstige Beratungsdienstleistungen | 41'507 | 26'280 |
| Total | 182'406 | 140'891 |

i. Angaben zu den Erträgen aus Kapitalanlagen

| <u>2019</u> | Erträge | Zu- schreibungen | Realisierte Gewinne |
|------------------------------|------------|---------------------|------------------------|
| Immobilien | 327'870 | 0 | 0 |
| Festverzinsliche Wertpapiere | 19'591'726 | 2'822'691 | 3'848'954 |

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| | | | |
|-----------------------|-------------------|------------------|------------------|
| Darlehen | 5'286'233 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 942'310 |
| Total | 25'205'828 | 2'822'691 | 4'791'264 |

| | | | |
|------------------------------|-------------------|---------------------|------------------------|
| <u>2018</u> | Erträge | Zu- schreibungen | Realisierte Gewinne |
| Immobilien | 320'686 | 0 | 0 |
| Festverzinsliche Wertpapiere | 18'173'225 | 0 | 4'480'998 |
| Darlehen | 5'478'693 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 2'098'198 |
| Total | 23'972'604 | 0 | 6'579'197 |

j. Angaben zu den Aufwendungen für Kapitalanlagen

| | | | |
|------------------------------|----------------|---------------------------------|-------------------------|
| <u>2019</u> | Aufwände | Abschr./Wert- berichtigungen | Realisierte Verluste |
| Immobilien | 116'028 | 52'136 | 0 |
| Festverzinsliche Wertpapiere | 0 | 1'744'527 | 3'073'659 |
| Darlehen | 0 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 0 |
| Total | 116'028 | 1'796'663 | 3'073'659 |

| | | | |
|------------------------------|----------------|------------------|------------------|
| <u>2018</u> | | | |
| Immobilien | 112'629 | 54'034 | 0 |
| Festverzinsliche Wertpapiere | 0 | 9'039'145 | 1'186'427 |
| Darlehen | 0 | 0 | 0 |
| Übrige Kapitalanlagen | 0 | 0 | 0 |
| Total | 112'629 | 9'093'179 | 1'186'427 |

k. Angaben zum Personalaufwand

Der Personalaufwand für das Geschäftsjahr 2019 beträgt 3.760.759 (für das Geschäftsjahr 2018 betrug dieser 3.483.234).

l. Angaben zu den Abschreibungen

| | | |
|--------------|---------------|---------------|
| | <u>2019</u> | <u>2018</u> |
| Sachanlagen | 31'557 | 48'824 |
| Total | 31'557 | 48'824 |

m. Angaben zu den Aktiven unter Eigentumsvorbehalt

| | | |
|--------------------------------|-------------|-------------|
| | <u>2019</u> | <u>2018</u> |
| Standby Letter of Credit | 573'907 | 1'100'019 |
| Wertpapierdepot in Währung CZK | 0 | 0 |

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| | | |
|--------------|----------------|------------------|
| Total | 573'907 | 1'100'019 |
|--------------|----------------|------------------|

n. Angaben zu den Vollzeitstellen

Die Anzahl der Vollzeitstellen im Jahresdurchschnitt lag sowohl im Berichtsjahr als auch im Vorjahr über 10 aber unter 50.

Nach dem Bilanzstichtag eingetretene Ereignisse

Die rasche Ausbreitung des Coronavirus, das inzwischen zur Pandemie erklärt wurde, und die Massnahmen, die zur Eindämmung des Virus auf zunehmend globaler Ebene ergriffen werden, haben zu einer erheblichen Volatilität auf den Finanzmärkten und zu Beeinträchtigungen des weltweiten Geschäfts und der globalen Konjunktur geführt. Die Wahrscheinlichkeit steigt, dass sich das Coronavirus und die damit verbundenen Eindämmungsmassnahmen negativ auf die Konjunktur auswirken und möglicherweise zu einer weltweiten Rezession führen könnten. UNIQA Re AG beobachtet die Entwicklung, die potenziellen Auswirkungen der Infektion und die weltweiten Reaktionen, z.B. hinsichtlich Vermögenspreisen, Versicherungsexponierungen und der eigenen Geschäftstätigkeit.

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UNIQA Re AG
Jahresrechnung 2019

| E. Antrag über die Verwendung des Bilanzgewinnes | 31.12.2019 EUR | 31.12.2019 CHF |
|---|---------------------------|---------------------------|
| Gewinnvortrag aus dem Vorjahr | 1'060'460 | 6'952'419 |
| Gewinn des Geschäftsjahres | <u>67'341'100</u> | <u>74'910'240</u> |
| Bilanzverlust / -gewinn | 68'401'560 | 81'862'659 |
| Verwendung: | | |
| Dividendenausschüttung | <u>30'000'000</u> | <u>32'562'000</u> |
| Vortrag auf neue Rechnung | 38'401'560 | 49'300'659 |

Da die gesetzlichen Gewinnreserven 50% des Aktienkapitals erreicht haben, wird auf eine weitere Zuweisung verzichtet.

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8.4. Quantitative template "Performance Solo Reinsurance"

Currency: EUR
Amounts stated in millions

| | Total | | Personal accident | | Health | |
|--|---------------|----------------|-------------------|----------------|---------------|----------------|
| | Previous year | Reporting year | Previous year | Reporting year | Previous year | Reporting year |
| 1 Gross premiums | 1.044.8 | 1.072.3 | 141.6 | 146.2 | 6.6 | 5.7 |
| 2 Reinsurers' share of gross premiums | -64.7 | -61.9 | -0.2 | -0.2 | -0.3 | -0.3 |
| 3 Premiums for own account (1 + 2) | 980.1 | 1.010.4 | 141.4 | 145.9 | 6.2 | 5.4 |
| 4 Change in unearned premium reserves | -8.7 | 5.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| 5 Reinsurers' share of change in unearned premium reserves | -3.8 | 1.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| 6 Premiums earned for own account (3 + 4 + 5) | 967.6 | 1.017.6 | 141.4 | 145.9 | 6.2 | 5.4 |
| 7 Other income from insurance business | 1.0 | 0.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| 8 Total income from underwriting business (6 + 7) | 968.6 | 1.018.6 | 141.4 | 145.9 | 6.2 | 5.4 |
| 9 Payments for insurance claims (gross) | -648.1 | -755.1 | -76.3 | -86.0 | -3.0 | -5.2 |
| 10 Reinsurers' share of payments for insurance claims | 13.8 | 95.1 | 0.0 | 0.0 | 0.2 | 0.0 |
| 11 Change in technical provisions | -104.7 | 75.1 | -2.9 | 2.5 | -1.9 | -0.8 |
| 12 Reinsurers' share of change in technical provisions | 93.0 | -49.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| 13 Change in technical provisions for unit-linked life insurance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 14 Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13) | -645.9 | -634.2 | -79.2 | -83.5 | -4.7 | -6.0 |
| 15 Acquisition and administration expenses | -302.5 | -306.1 | -58.7 | -60.5 | -1.0 | -0.4 |
| 16 Reinsurers' share of acquisition and administration expenses | 3.3 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| 17 Acquisition and administration expenses for own account (15 + 16) | -299.2 | -302.9 | -58.7 | -60.5 | -1.0 | -0.4 |
| 18 Other underwriting expenses for own account | -20.3 | -24.4 | -4.1 | -4.2 | 0.0 | 0.0 |
| 19 Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only) | -965.5 | -961.5 | -141.9 | -148.2 | -5.7 | -6.3 |
| 20 Investment income | 27.0 | 30.0 | | | | |
| 21 Investment expenses | -13.1 | -5.9 | | | | |
| 22 Net investment income (20 + 21) | 13.9 | 24.1 | | | | |
| 23 Capital and interest income from unit-linked life insurance | 0.0 | 0.0 | | | | |
| 24 Other financial income | 0.0 | 0.0 | | | | |
| 25 Other financial expenses | 0.0 | 0.0 | | | | |
| 26 Operating result (8 + 14 + 17 + 18 + 22 + 23 + 24 + 25) | 17.0 | 81.2 | | | | |
| 27 Interest expenses for interest-bearing liabilities | -2.9 | -2.9 | | | | |
| 28 Other income | 9.3 | 1.8 | | | | |
| 29 Other expenses | -0.4 | -5.5 | | | | |
| 30 Extraordinary income/expenses | 0.0 | 0.0 | | | | |
| 31 Profit / loss before taxes (26 + 27 + 28 + 29 + 30) | 23.0 | 74.6 | | | | |
| 32 Direct taxes | 0.0 | -7.3 | | | | |
| 33 Profit / loss (31 + 32) | 23.0 | 67.3 | | | | |

| | Motor | | Marine, aviation, transport | | Property | |
|--|------------------|-------------------|--------------------------------|-------------------|------------------|-------------------|
| | Previous year | Reporting year | Previous year | Reporting year | Previous year | Reporting year |
| 1 Gross premiums | 463.8 | 471.4 | 9.5 | 10.3 | 271.1 | 287.4 |
| 2 Reinsurers' share of gross premiums | -4.2 | -4.0 | -3.1 | -3.4 | -47.1 | -42.7 |
| 3 Premiums for own account (1 + 2) | 459.7 | 467.4 | 6.4 | 6.9 | 223.9 | 244.7 |
| 4 Change in unearned premium reserves | -2.3 | 1.7 | -0.3 | -0.1 | -5.3 | 6.4 |
| 5 Reinsurers' share of change in unearned premium reserves | 0.2 | -0.1 | -0.1 | 0.0 | -3.8 | 1.2 |
| 6 Premiums earned for own account (3 + 4 + 5) | 457.6 | 469.1 | 6.0 | 6.7 | 214.8 | 252.2 |
| 7 Other income from insurance business | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.9 |
| 8 Total income from underwriting business (6 + 7) | 457.6 | 469.1 | 6.0 | 6.7 | 215.8 | 253.1 |
| 9 Payments for insurance claims (gross) | -329.0 | -320.2 | -6.7 | -5.4 | -153.2 | -263.7 |
| 10 Reinsurers' share of payments for insurance claims | 1.5 | 4.2 | -0.2 | 0.1 | 8.7 | 88.7 |
| 11 Change in technical provisions | 31.4 | 17.4 | -21.6 | 13.9 | -103.4 | 43.0 |
| 12 Reinsurers' share of change in technical provisions | 0.8 | -1.6 | 24.7 | -13.9 | 73.8 | -32.3 |
| 13 Change in technical provisions for unit-linked life insurance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 14 Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13) | -295.4 | -300.3 | -3.9 | -5.3 | -174.2 | -164.4 |
| 15 Acquisition and administration expenses | -127.2 | -130.5 | -1.5 | -1.5 | -73.6 | -68.7 |
| 16 Reinsurers' share of acquisition and administration expenses | 0.0 | 0.0 | 0.2 | 0.2 | 0.1 | 0.0 |
| 17 Acquisition and administration expenses for own account (15 + 16) | -127.1 | -130.5 | -1.3 | -1.3 | -73.5 | -68.7 |
| 18 Other underwriting expenses for own account | -9.8 | -13.6 | -0.1 | -0.1 | -4.8 | -5.4 |
| 19 Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only) | -432.3 | -444.3 | -5.2 | -6.6 | -252.4 | -238.5 |
| 20 Investment income | | | | | | |
| 21 Investment expenses | | | | | | |
| 22 Net investment income (20 + 21) | | | | | | |
| 23 Capital and interest income from unit-linked life insurance | | | | | | |
| 24 Other financial income | | | | | | |
| 25 Other financial expenses | | | | | | |
| 26 Operating result (8 + 14 + 17 + 18 + 22 + 23 + 24 + 25) | | | | | | |
| 27 Interest expenses for interest-bearing liabilities | | | | | | |
| 28 Other income | | | | | | |
| 29 Other expenses | | | | | | |
| 30 Extraordinary income/expenses | | | | | | |
| 31 Profit / loss before taxes (26 + 27 + 28 + 29 + 30) | | | | | | |
| 32 Direct taxes | | | | | | |
| 33 Profit / loss (31 + 32) | | | | | | |

| | | Casualty | | Miscellaneous | |
|----|---|---------------|----------------|---------------|----------------|
| | | Previous year | Reporting year | Previous year | Reporting year |
| 1 | Gross premiums | 120.8 | 125.5 | 31.4 | 25.8 |
| 2 | Reinsurers' share of gross premiums | -3.4 | -3.8 | -6.2 | -7.5 |
| 3 | Premiums for own account (1 + 2) | 117.3 | 121.7 | 25.2 | 18.3 |
| 4 | Change in unearned premium reserves | 0.5 | -1.3 | -1.4 | -1.2 |
| 5 | Reinsurers' share of change in unearned premium reserves | -0.7 | 0.2 | 0.6 | 0.6 |
| 6 | Premiums earned for own account (3 + 4 + 5) | 117.2 | 120.7 | 24.4 | 17.7 |
| 7 | Other income from insurance business | 0.0 | 0.0 | 0.0 | 0.0 |
| 8 | Total income from underwriting business (6 + 7) | 117.2 | 120.7 | 24.4 | 17.7 |
| 9 | Payments for insurance claims (gross) | -68.1 | -67.8 | -11.8 | -6.8 |
| 10 | Reinsurers' share of payments for insurance claims | 2.7 | 1.2 | 0.9 | 1.0 |
| 11 | Change in technical provisions | -5.3 | 0.7 | -0.9 | -1.6 |
| 12 | Reinsurers' share of change in technical provisions | -6.3 | -2.0 | 0.1 | 0.4 |
| 13 | Change in technical provisions for unit-linked life insurance | 0.0 | 0.0 | 0.0 | 0.0 |
| 14 | Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13) | -77.0 | -67.8 | -11.7 | -7.0 |
| 15 | Acquisition and administration expenses | -31.6 | -33.4 | -9.0 | -11.1 |
| 16 | Reinsurers' share of acquisition and administration expenses | 0.1 | 0.3 | 2.8 | 2.7 |
| 17 | Acquisition and administration expenses for own account (15 + 16) | -31.5 | -33.1 | -6.2 | -8.4 |
| 18 | Other underwriting expenses for own account | -1.4 | -1.0 | -0.2 | -0.2 |
| 19 | Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only) | -109.9 | -102.0 | -18.0 | -15.6 |
| 20 | Investment income | | | | |
| 21 | Investment expenses | | | | |
| 22 | Net investment income (20 + 21) | | | | |
| 23 | Capital and interest income from unit-linked life insurance | | | | |
| 24 | Other financial income | | | | |
| 25 | Other financial expenses | | | | |
| 26 | Operating result (8 + 14 + 17 + 18 + 22 + 23 + 24 + 25) | | | | |
| 27 | Interest expenses for interest-bearing liabilities | | | | |
| 28 | Other income | | | | |
| 29 | Other expenses | | | | |
| 30 | Extraordinary income/expenses | | | | |
| 31 | Profit / loss before taxes (26 + 27 + 28 + 29 + 30) | | | | |
| 32 | Direct taxes | | | | |
| 33 | Profit / loss (31 + 32) | | | | |

8.5. Quantitative template "Market-consistent Balance Sheet Solo"

Financial situation report: quantitative template "Market-consistent Balance Sheet Solo"

Currency:
EUR
Amounts
stated in
millions

| | | Ref. date previous period | Adjustments previous period | Ref. date reporting year |
|--|---|---------------------------------|-----------------------------------|--------------------------------|
| Market-consistent value of investments | Real estate | 6,7 | 0,0 | 8,2 |
| | Participations | 0,0 | 0,0 | 0,0 |
| | Fixed-income securities | 1286,4 | 0,0 | 1.282,1 |
| | Loans | 215,1 | 0,0 | 215,1 |
| | Mortgages | 0,0 | 0,0 | 0,0 |
| | Equities | 0,0 | 0,0 | 0,0 |
| | Other investments | 94,4 | 0,0 | 147,8 |
| | Collective investment schemes | 94,4 | 0,0 | 147,8 |
| | Alternative investments | 0,0 | 0,0 | 0,0 |
| | Structured products | 0,0 | 0,0 | 0,0 |
| | Other investments | 0,0 | 0,0 | 0,0 |
| | Total investments | 1602,6 | 0,0 | 1.653,2 |
| Market-consistent value of other assets | Financial investments from unit-linked life insurance | 0,0 | 0,0 | 0,0 |
| | Receivables from derivative financial instruments | 0,0 | 0,0 | 0,0 |
| | Deposits made under assumed reinsurance contracts | 31,6 | 0,0 | 28,2 |
| | Cash and cash equivalents | 37,7 | 0,0 | 25,1 |
| | Reinsurers' share of best estimate of provisions for insurance liabilities | 155,6 | 0,0 | 112,9 |
| | Direct insurance: life insurance business (excluding unit linked life insurance) | 0,0 | 0,0 | 0,0 |
| | Reinsurance: life insurance business (excluding unit linked life insurance) | 0,7 | 0,0 | 1,0 |
| | Direct insurance: non-life insurance business | 0,0 | 0,0 | 0,0 |
| | Direct insurance: health insurance business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: non-life insurance business | 154,9 | 0,0 | 111,9 |
| | Reinsurance: health insurance business | 0,0 | 0,0 | 0,0 |
| | Direct insurance: other business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: other business | 0,0 | 0,0 | 0,0 |
| | Direct insurance: unit-linked life insurance business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: unit-linked life insurance business | 0,0 | 0,0 | 0,0 |
| | Fixed assets | 0,1 | 0,0 | 0,1 |
| | Deferred acquisition costs | 0,0 | 0,0 | 0,0 |
| | Intangible assets | 0,0 | 0,0 | 0,0 |
| | Receivables from insurance business | 42,0 | 0,0 | 70,3 |
| | Other receivables | 2,9 | 0,0 | 4,7 |
| | Other assets | 0,0 | 0,0 | 0,0 |
| | Unpaid share capital | 0,0 | 0,0 | 0,0 |
| | Accrued assets | 11,5 | 0,0 | 11,4 |
| | Total other assets | 281,4 | 0,0 | 252,7 |

| | | | | |
|---|---|--------|-----|---------|
| Total market-consistent value of assets | Total market-consistent value of assets | 1884,0 | 0,0 | 1.905,9 |
| BEL: Best estimate of liabilities (including unit linked life insurance) | Best estimate of provisions for insurance liabilities | 1350,9 | 0,0 | 1.330,3 |
| | Direct insurance: life insurance business (excluding unit linked life insurance) | 0,0 | 0,0 | 0,0 |
| | Reinsurance: life insurance business (excluding unit linked life insurance) | 1,4 | 0,0 | 1,7 |
| | Direct insurance: non-life insurance business | 0,0 | 0,0 | 0,0 |
| | Direct insurance: health insurance business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: non-life insurance business | 1347,3 | 0,0 | 1.325,7 |
| | Reinsurance: health insurance business | 2,2 | 0,0 | 3,0 |
| | Direct insurance: other business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: other business | 0,0 | 0,0 | 0,0 |
| | Best estimate of provisions for unit-linked life insurance liabilities | 0,0 | 0,0 | 0,0 |
| | Direct insurance: unit-linked life insurance business | 0,0 | 0,0 | 0,0 |
| | Reinsurance: unit-linked life insurance business | 0,0 | 0,0 | 0,0 |
| | | | | |
| Market-consistent value of other liabilities | Non-technical provisions | 0,6 | 0,0 | 0,0 |
| | Interest-bearing liabilities | 0,0 | 0,0 | 0,0 |
| | Liabilities from derivative financial instruments | 0,0 | 0,0 | 0,0 |
| | Deposits retained on ceded reinsurance | 0,0 | 0,0 | 0,0 |
| | Liabilities from insurance business | 28,1 | 0,0 | 18,4 |
| | Other liabilities | 2,7 | 0,0 | 0,3 |
| | Accrued liabilities | 0,1 | 0,0 | 0,0 |
| | Subordinated debts | 50,6 | 0,0 | 52,1 |
| Total BEL plus market-consistent value of other liabilities | Total BEL plus market-consistent value of other liabilities | 1433,0 | 0,0 | 1.401,2 |
| | | | 0,0 | |
| | Market-consistent value of assets minus total from BEL plus market-consistent value of other liabilities | 451,0 | 0,0 | 504,6 |

8.6. Quantitative template "Solvency Solo"

Financial situation report: quantitative template "Solvency Solo"

Currency: EUR
Amounts stated in
millions

| | | Ref. date previous period | Adjustments previous period | Ref. date reporting year |
|------------------------------|---|------------------------------|--------------------------------|-----------------------------|
| | | in EUR millions | in EUR millions | in EUR millions |
| Derivation of RBC | Market-consistent value of assets minus total from best estimate liabilities plus market- consistent value of other liabilities | 451,0 | | 504,6 |
| | Deductions | 20,0 | | 30,0 |
| | Core capital | 431,0 | | 474,6 |
| | Supplementary capital | 50,6 | | 52,1 |
| | RBC | 481,6 | 0,0 | 526,8 |

| | | Ref. date previous period | Adjustments previous period | Ref. date reporting year |
|---|--|------------------------------|--------------------------------|-----------------------------|
| | | in EUR millions | in EUR millions | in EUR millions |
| Derivation of target capital | Underwriting risk | 239,2 | | 242,0 |
| | Market risk | 50,7 | | 205,4 |
| | Diversification effects | -41,7 | | -55,3 |
| | Credit risk | 52,2 | | 53,1 |
| | Risk margin and other effects on target capital | 65,0 | | 68,5 |
| | Target capital | 365,5 | 0,0 | 379,9 |

| | Ref. date previous period | Adjustments previous period | Ref. date reporting year |
|------------------|------------------------------|--------------------------------|-----------------------------|
| | in % | in % | in % |
| SST ratio | 137,5% | 0,0 | 145,6% |

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