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# Report of the Management Board of UNIQA Insurance Group AG with its registered office in Vienna

on the authorization of the Management Board  
to issue new shares, excluding shareholders' subscription rights, with the  
approval of the Supervisory Board

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herewith submit the following report of the Management Board of UNIQA Insurance Group AG with its registered office in Vienna pursuant to section 170 (2) of the Stock Corporation Act in conjunction with section 153 (4) of the Stock Corporation Act to the 25th Annual General Meeting of UNIQA Insurance Group AG on June 3, 2024.

1. UNIQA Insurance Group AG, with its registered office in Vienna at 1029 Vienna, Untere Donaustraße 21, registered in the Companies' Register of the Vienna Commercial Court under FN 92933t (hereinafter called "UNIQA" or the "company"), currently has 309,000,000 ordinary shares in circulation, representing a pro-rata amount of the share capital of EUR 1.00 per share. The share capital of the company thus amounts to EUR 309,000,000.00.
2. The 1st Annual General Meeting on June 20, 2000, adopted a resolution authorizing the Management Board of the company to increase the share capital of EUR 119,777,808.00 existing at that time by a maximum of EUR 50,000,000.00 by issuing up to 50,000,000 no-par value bearer or registered shares with voting rights against cash contributions or contributions in

kind once or several times up to and including June 30, 2005, and thereby, if appropriate, exclude the shareholders' subscription rights with the approval of the Supervisory Board.

3. The Management Board has not made use of the authorization to increase the share capital granted by resolution of the 1<sup>st</sup> Annual General Meeting.
4. At the 6th Annual General Meeting on May 23, 2005, the authorization of the Management Board adopted at the 1st Annual General Meeting was renewed. Accordingly, the company's Management Board was authorized to increase the share capital of EUR 119,777,808.00 existing at that time once or in several parts up to and including June 30, 2010 (renewal of the authorization).
5. On October 29, 2008 and on November 14, 2008, the Management Board resolved, with the approval of the Supervisory Board granted on the same dates, to increase the company's share capital by issuing 11,895,192 new no-par value bearer shares with voting rights, making partial use of the authorization granted by the 6th Annual General Meeting and upholding the shareholders' statutory subscription rights. Following the capital increase, the company's share capital amounted to EUR 131,673,000.00.
6. On November 24, 2009 and on December 12, 2009, the Management Board resolved, with the approval of the Supervisory Board granted on the same dates, to increase the company's share capital by issuing 11,312,217 new no-par value bearer shares with voting rights, again making partial use of the authorization of the 6th Annual General Meeting and upholding the shareholders' statutory subscription rights. Following the capital increase, the company's share capital amounted to EUR 142,985,217.00.
7. At the 11th Annual General Meeting on May 31, 2010, the authorization of the Management Board granted at the 1st Annual General Meeting was renewed. Accordingly, the Management Board of the company was authorized to increase the share capital of EUR 142,985,217.00 existing at that time up to and including June 30, 2015, by issuing up to 71,492,608 no-par value bearer or registered shares with voting rights against cash contributions or contributions in kind once or in several parts (renewal of the authorization).
8. On June 26, 2012, the Management Board, with the approval of the Supervisory Board given on the same day, resolved to increase the share capital by issuing 47,619,048 new no-par value bearer shares with voting rights, making partial use of the authorization granted by the 11<sup>th</sup> Annual General Meeting, exclusively against contributions in kind and upholding the

shareholders' statutory subscription rights. Following the capital increase, the company's share capital amounted to EUR 190,604,265.00.

9. On September 11, 2012, the Management Board, with the approval of the Supervisory Board given on the same day, again making use of the authorization granted by the 11<sup>th</sup> Annual General Meeting, resolved to increase the company's share capital by issuing 19,000,000 no-par value bearer shares and 4,643,635 no-par value registered shares, each with voting rights and representing a pro-rata amount of the share capital of EUR 1.00 per no-par value share, against contributions in kind, namely against the contribution of 13,797,146 no-par value shares with voting rights in UNIQA Personenversicherung AG (now: UNIQA Österreich Versicherungen AG, excluding the subscription rights of the other shareholders. Following the capital increase, the company's share capital amounted to EUR 214,247,900.00. The 4,643,635 no-par value registered shares were converted into bearer shares by resolution of the company's 14th Annual General Meeting on May 27, 2013.
10. At the 14th Annual General Meeting on May 27, 2013, a resolution was adopted to revoke the authorization granted to the Management Board at the 11th Annual General Meeting on May 31, 2010 and still in effect on that date. Moreover, the 14th Annual General Meeting resolved to again authorize the Management Board to increase the company's share capital by a maximum of EUR 107,123,950.00 by issuing up to 107,123,950 bearer shares or registered shares with voting rights against cash contributions or contributions in kind once or in several parts up to and including June 30, 2018, and thereby excluding, if appropriate, the shareholders' subscription rights with the approval of the Supervisory Board.
11. On September 23, 2013 and on October 9, 2013, the Management Board resolved, with the approval of the Supervisory Board given on September 16, 2013, and the Working Committee of the Supervisory Board given on September 23, 2013 and October 9, 2013, to make partial use of the authorization granted by the 14th Annual General Meeting to increase the company's share capital by issuing 88,102,100 new no-par value bearer shares with voting rights exclusively against cash contributions and thereby upholding the shareholders' subscription rights; this capital increase constituted UNIQA's re-IPO. Following the capital increase, the company's share capital amounted to EUR 302,350,000.00.

Moreover, by its resolutions dated September 23, 2013, October 9, 2013, and October 17, 2013, the Management Board decided, with the approval of the Supervisory Board on September 16, 2013, and the Working Committee of the Supervisory Board on September 23, 2013, October 9, 2013, and October 17, 2013, to increase the company's share capital by

making further partial use of the authorization granted by the 14<sup>th</sup> Annual General Meeting through the issue of another 6,650,000 new no-par value bearer shares with voting rights exclusively against cash contributions, thereby excluding the shareholders' subscription rights; this increase of the share capital served to settle the greenshoe option granted to the consortial banks of the re-IPO. Following the greenshoe capital increase, the company's share capital now amounts to EUR 309,000,000.00.

12. At the 15th Annual General Meeting on May 25, 2014, a resolution was adopted to authorize the Management Board to increase the company's share capital up to and including June 30, 2019, by a maximum of EUR 81,000,000.00 by issuing up to 81,000,000 no-par value bearer shares or registered shares with voting rights against cash contributions or contributions in kind once or in several parts and, with the approval of the Supervisory Board, to exclude, if appropriate, the shareholders' subscription rights.
13. At the 20th Annual General Meeting on May 20, 2019, a resolution was adopted to authorize the Management Board to increase the company's share capital by a maximum of EUR 80,000,000.00 by issuing up to 80,000,000 no-par value bearer shares or registered shares with voting rights against cash contributions or contributions in kind once or in several parts up to and including June 30, 2024, and, if appropriate, exclude shareholders' subscription rights with the approval of the Supervisory Board. The authorized capital therefore expires on June 30, 2024.
14. The Management Board of the company now intends to propose to the 25th Annual General Meeting that it resolve to renew the authorization of the Management Board to increase the share capital of the company by a maximum of EUR 80,000,000.00 by issuing up to 80,000,000 no-par value bearer shares or registered shares with voting rights against cash contributions or contributions in kind once or in several parts and to exclude, if appropriate, the shareholders' subscription rights with the approval of the Supervisory Board (see below proposal for Art. 4 para. 3 b of the Articles of Association).

By resolution of the Annual General Meeting, the following authorization is to be granted to the Management Board; as of that date, Art. 4 para. 3 of the Articles of Association of the company is to read as follows:

"The Management Board shall be authorized, from and including July 1, 2024, up to and including June 30, 2029,

(a) to increase the share capital with the approval of the Supervisory Board by a maximum of EUR 80,000,000 by issuing up to 80,000,000 no-par value bearer shares or registered shares with voting rights against cash contributions or contributions in kind once or in several parts,

(b) to exclude the shareholders' subscription rights, if appropriate, with the approval of the Supervisory Board, if the share capital is increased

(b.a.) for the purpose of implementing an employee participation program including members of the Management Board and/or senior executives or exclusively for members of the Management Board and/or senior executives or a stock option plan for employees including members of the Management Board and/or senior executives or exclusively for members of the Management Board and/or senior executives of the company and, if applicable, of its affiliated companies, including, if applicable, by transferring shares to an employee participation foundation within the meaning of section 4d (4) of the Income Tax Act, or

(b.b.) against contributions in kind, in particular by businesses, establishments, parts of establishments or shares in one or several companies in Austria or abroad, or

(b.c.) for an over-allotment option (greenshoe), or

(b.d.) for the adjustment of fractional amounts,

and

(c) to determine, with the approval of the Supervisory Board, the type of new shares to be issued (bearer shares or registered shares), the number of shares to be issued, and the other terms and conditions of the issue (authorized capital).

The Supervisory Board shall be authorized to adopt any amendments to the Articles of Association of the company resulting from the issue of shares from the authorized capital."

15. Exclusively subject to approval by the Supervisory Board, the Management Board of the company may issue shares from the authorized capital, regardless of whether the new shares are issued against cash contributions or contributions in kind or with or without the exclusion of shareholders' subscription rights. The issue price, the terms and conditions of the issue and, should the case arise, the exclusion of subscription rights can be determined by the Management Board exclusively with the approval of the Supervisory Board.

16. The authorized capital in the proposed amount of EUR 80,000,000.00 can be used once or in several parts until the proposed deadline of June 30, 2029, which will in any case be within a period of five years from the entry of the corresponding amendment to the Articles of Association. In total, no more than 80,000,000 new no-par value shares can be issued from the authorized capital.

In addition to the possibility of issuing shares from the authorized capital and thereby upholding the statutory subscription rights (see, for example, the capital increases in 2008, 2009, June/July 2012 and September 2013), it is to be possible under certain conditions to issue shares from the authorized capital and thereby excluding subscription rights.

17. The exclusion of subscription rights would be possible, *inter alia*, in connection with an employee participation program.

An employee participation program can also be structured as a stock option plan. The employee participation program or stock option plan can also include members of the Management Board and/or senior executives. An employee participation program or stock option plan can also be implemented exclusively for members of the Management Board and/or senior executives. An employee participation program or a stock option plan can be introduced for members of the Management Board and/or senior executives and/or employees of the company and/or affiliated companies. Moreover, if applicable and subject to the provisions governing the raising of capital, the transfer of shares to an employee participation foundation within the meaning of section 4d (4) of the Income Tax Act should also be possible.

For the time being, the company does not have an employee participation program or stock option plan of the type described above. The employee program introduced on the occasion of the re-IPO allowed eligible employees (which did not include Management Board members) to subscribe to new shares from the capital increase without subscription rights being excluded.

A variable income component is made available to the members of the Management Board in the form of bonus agreements and granted as a one-off payment subject to the attainment of defined prerequisites, depending on the company's earnings in the respective business year.

The system of variable remuneration components of the Management Board was modified in connection with the extension of the Management Board mandates as of the 2013 business year. A short-term incentive (STI) provides for a one-off payment subject to the attainment of

defined prerequisites, based on the company's earnings and the agreed individual targets in the respective business year. In parallel, a long-term incentive (LTI) is made available, which provides for one-off payments after a term of four years, depending on defined performance targets, on the basis of annual virtual investment amounts in UNIQA shares. Maximum limits have been agreed. The LTI is linked to an annual obligation of the Management Board members to invest in UNIQA shares and to hold such shares for a period of four years. Additionally, we refer to the updated 2024 Remuneration Policy, which is to be submitted to the 25th Annual General Meeting of UNIQA Insurance Group AG on June 3, 2024, and can be viewed, together with the other documents for this Annual General Meeting, on the company's website (<https://www.uniqagroup.com/grp/investor-relations/hauptversammlung.de.html>).

In the case of an employee participation program or a stock option plan being introduced, the following considerations apply:

The introduction of an employee participation program or a stock option plan is to provide an incentive for participants to contribute to the future success of the UNIQA Group through their individual performance and to participate in the success of the Group through a potential increase of the UNIQA share price and through dividend income. Moreover, an employee participation program or a stock option plan is to foster the employees' identification with the company.

In the case of introduction of an employee participation program or a stock option plan, the Management Board and the Supervisory Board – the latter, in particular, in matters relating to the Management Board – would determine the detailed provisions regarding the granting of stock options and the issue of shares. These include provisions on the technical implementation and the procedure to be followed in the granting and exercise of stock options, the determination of the issue price, holding periods, if any, and provisions applicable upon an employee's retirement, decease or termination of employment, as well as the exit of a company from the UNIQA Group. In the event of transfer of shares to an employee participation foundation within the meaning of section 4d (4) of the Income Tax Act, the provisions of section 4d (4) of the Income Tax Act would have to be complied with, including the underlying plan for the transfer of shares; issuing shares to an employee participation foundation without consideration would not be possible; the provisions governing the raising of capital would have to be complied with.

18. The possibility of issuing new shares from the authorized capital, excluding shareholders' subscription rights, is in the interest of the company. It is in UNIQA's interest to foster the loy-



alty of executives and employees of the Group vis-à-vis the company they work for and to motivate them more strongly by issuing shares. Identification with the company increases when executives and employees are shareholders. As such, they take a greater interest in the economic success of the company and the Group.

UNIQA, as a company with international operations, competes for executives in the international market. Therefore, it is in UNIQA's reasonable commercial interest to attract and motivate high-performing executives by offering internationally competitive, performance-related forms of remuneration and thus promote their long-term loyalty to the company. A stock option plan, or a similar remuneration regime, is deemed to be a well-suited and internationally practiced model to achieve this goal. Stock option plans have been introduced by a number of Austrian companies. If an employee participation program (including a stock option plan) were to be introduced, UNIQA would define its long-term goals on the basis of the principle of sustainability.

The possibility of issuing new shares from the authorized capital is essential, as the company must be able to introduce internationally practiced remuneration models in order to remain in a position to attract executives and employees for the Group.

Pursuant to section 153 (1) of the Stock Corporation Act, the (preferred) issue of shares to employees, senior executives and/or members of the Management Board of the company or an affiliated company in order to settle claims arising from employee participation programs (including stock options) is justified by law and constitutes sufficient grounds for the exclusion of subscription rights. This equally applies to shares issued through the utilization of authorized capital (section 170 (1) of the Stock Corporation Act in conjunction with section 153 (5) of the Stock Corporation Act). This justification equally applies to the transfer of shares to an employee participation foundation within the meaning of section 4d (4) of the Income Tax Act.

19. Moreover, new shares from the authorized capital can be issued, excluding subscription rights, if the shares are used as transaction currency for the acquisition of companies, establishments, sub-establishments or shares in one or several companies in Austria or abroad.

UNIQA intends to continue its selective growth in Austria and abroad on the basis of a consistent risk/return approach. Such growth can also be achieved through the acquisition of other companies or establishments. In legal terms, the acquisition of companies, establishments or sub-establishments can be structured as the purchase of certain assets (and liabilities) of a company, establishment or sub-establishment (asset deal), or as the acquisition of shares in a

company (share deal). In the following, both types of acquisition of a company, establishment or sub-establishment, i.e. asset deals and share deals, are referred to as corporate acquisitions.

Consideration for a corporate acquisition can be provided not only in the form of cash, but also (partly) in the form of shares of the acquiring company. This may be both in the interest of UNIQA as the buyer and in the interest of the seller.

In the case of a corporate acquisition in which the seller contributes the company (or the shares in the company) to UNIQA as a contribution in kind in return for being granted new shares - in this case from the authorized capital - the share capital and, consequently, the equity of UNIQA are increased. While the purchase of a company against payment of a purchase price in cash can result in a high outflow of liquidity, a corporate acquisition against contributions in kind does not result in an outflow of liquidity for the acquiring company (UNIQA), but on the contrary leads to an increase in equity.

A corporate acquisition in which a company or shares in a company are contributed in return for contributions in kind, excluding the subscription rights of the other shareholders, is generally recognized as factual justification for the exclusion of subscription rights.

In a corporate acquisition against contributions in kind, the exclusion of subscription rights is necessary because, on the one hand, it is the only way for the company to secure the acquisition of the company, and because, on the other hand, the seller may not be prepared to transfer the company or the shares in the company unless against a participation in the company of equivalent value. From UNIQA's perspective, it may be necessary for strategic or organizational reasons to integrate the seller into the Group as a shareholder. In the case of a corporate acquisition through contributions in kind, the seller as a contributor in kind can only obtain the desired participation if the seller alone is to receive the new shares, the reason being that a seller wants to achieve a (percentage) participation in UNIQA that corresponds to the ratio of the value of its company relative to the enterprise value of UNIQA.

In view of the five-year term of the authorized capital, no information can currently be provided on the price at which the shares are to be transferred to the seller of a company, as it depends on the performance of UNIQA (i.e. the enterprise value of UNIQA) and the development of the UNIQA share price. The interests of the shareholders are thus secured and proportionality is maintained, as in the case of a corporate acquisition against contributions in kind the seller receives a (percentage) participation in UNIQA which – as a rule based on a

corporate valuation – corresponds to the value of the contributed company or the contributed shares relative to the enterprise value of UNIQA.

As stated above, the exclusion of subscription rights is subject to approval by the Supervisory Board. The decision cannot be taken by the Management Board of UNIQA alone.

20. In the event of a capital increase of UNIQA, shares from the authorized capital can also be used within the framework of an over-allotment option (greenshoe), as was the case at the re-IPO through the issue of 6,650,000 shares (see Item 11 above). A greenshoe is associated, *inter alia*, with stabilization measures taken immediately after the commencement of trading in the newly issued shares. Such stabilization measures can be taken in accordance with the provisions of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buyback programs and stabilization measures (Delegated Regulation (EU) 2016/1052) and are limited to 30 calendar days after the commencement of trading. As a rule, between 8% and not more than 15% (see Article 8 (d) of Delegated Regulation (EU) 2016/1052) of the shares to be placed are temporarily over-allotted (the actual greenshoe) by the existing shareholders of the company to the issuing banks (usually in a stock lending transaction). Through the greenshoe, the issuing banks are given the possibility to acquire as many shares as correspond to the original over-allotment at the original issue price of the new shares. The issuing banks exercise the greenshoe to the extent necessary to meet their obligations to retransfer shares from the aforementioned stock lending transaction. (If shares are purchased by one or all issuing banks on account of stabilization measures, the greenshoe, as a rule, is not exercised). In general, exercise of the greenshoe is limited to 30 calendar days.

Granting an over-allotment option (greenshoe) within the framework of Delegated Regulation (EU) 2016/1052 is permitted, as it is in the interest of the company to float an issue in accordance with prevailing capital market practice, including stabilization measures, and thus constitutes a case of a substantively justified exclusion of subscription rights. It is necessary to meet the obligation to re-transfer the shares from the aforementioned stock lending transaction. Granting a greenshoe is proportionate, given its limitation in time, the limited number of shares, and exercise at the issue price, as recognized by the German Federal Court of Justice in its decision dated July 21, 2008. The greenshoe can be implemented by the company through the issue of shares from the authorized capital, excluding subscription rights.

21. In the event of a capital increase, unfavorable ownership relations may result in so-called fractional amounts that can make it particularly difficult for small shareholders to exercise their subscription rights. If an even subscription ratio is chosen instead of an uneven and therefore impractical ratio, the subscription rights can be partially excluded for the remaining shares. In such case, individual shareholders may not be able to exercise subscription rights for all their shares, and subscription rights cannot be exercised for all the shares issued. The inherent partial exclusion of subscription rights is substantively justified and generally recognized as a valid reason for the partial exclusion of subscription rights.

22. In summary, the Management Board of UNIQA has arrived at the conclusion that the proposed authorization of the Management Board of the company to increase the share capital of the company with the approval of the Supervisory Board through the issue of new shares from the authorized capital and, for certain reasons outlined in this report, to exclude shareholders' subscription rights, is entirely in conformity with the law.

Vienna, April 2024

The Management Board of  
UNIQA Insurance Group AG

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Andreas BRANDSTETTER  
born 23/06/1969  
Chairman of the Management Board

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Peter EICHLER  
born 18/04/1961

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Wolf-Christoph GERLACH  
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