

# ANNUAL REPORT 2021

ČESKÁ PODNIKATELSKÁ POJIŠŤOVNA, a.s.,  
VIENNA INSURANCE GROUP



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# ABOUT US

## Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group

("Česká podnikatelská pojišťovna" or "ČPP")

**Registered office:** Pobřežní 665/23, 186 00 Praha 8

**Registered capital:** BCZK 1

**Client phone line:** 957 444 555

**E-mail:** info@cpp.cz

**Company website:** www.cpp.cz

**Identification number:** 639 98 530

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### Net profit – MCZK 776

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### Gross premiums written – BCZK 12.4 (according to Czech Accounting Standards, CAS)

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### ČPP the fifth largest insurer in the Czech Republic, with market share of 8.1%

In 2021, according to Czech Insurance Association statistics, ČPP recognised year-on-year growth of 9.4%, while the market only grew by 4.4%.

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### Motor third-party liability insurance contracts concluded for 1.4 million vehicles

ČPP is the third largest provider of MTPL insurance in the Czech Republic.

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### Vienna Insurance Group

ČPP is part of the Vienna Insurance Group ("VIG"), the market leader in Central and Eastern Europe.

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### Establishment and incorporation:

ČPP was established on 22 June 1995 and recorded in the Commercial Register on 6 November 1995.

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### Sole shareholder (since 21 June 2021):

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe  
A-1010 Vienna, Schottenring 30, Aust

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**Number of full-time employees as at 31 December 2021:** 882

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The background is a vibrant blue gradient with various shades of cyan and navy. It features several overlapping geometric shapes, including triangles and rectangles, some of which are semi-transparent. Horizontal light streaks and lens flare effects are scattered across the image, adding a sense of motion and depth.

INTRODUCTION BY  
THE CHAIRMAN OF THE  
BOARD OF DIRECTORS



In terms of numbers, 2021 was a very successful year for us, despite the extent of natural disaster losses associated mainly with the tornado in South Moravia, and other losses due to hail, storms and flash floods. I am very proud to say that even in such an extremely difficult year, we stood our ground and managed to further strengthen our position. In the past two years, the entire country has been hit by the restrictions related to the coronavirus pandemic. Despite the situation, we were able to maintain ČPP's operation and performance at a standard level using various digitalisation technologies and online communication tools.

According to the methodology of the Czech Insurance Association, we wrote premiums of CZK 12 billion in 2021. ČPP grew by 9.4% year-on-year, becoming the second fastest-growing insurance company of the Top 10 ranking. All this while the insurance market only grew at half that rate, by 4.4 percent. In non-life insurance, our production volume grew by 10.2%, in life assurance by 6.8%, according to the Czech Insurance Association. With a market share of 8.1% we continue to hold the position of the fifth largest insurance company in the domestic market. In total, we manage over 2.3 million contracts, and our services are used by more than 1.3 million clients. In MTPL insurance, we are number three on the domestic market, with over 1.4 million vehicles.

The pandemic has positively accelerated the digitalisation of an insurance company's work: both in terms of employees and intermediaries, and in terms of communication with clients. Much more is now being done over the phone and online. In life assurance, we have made it possible to sign insurance contracts digitally, i.e., without the client's physical signature. As for non-life insurance contracts, signatures are no longer necessary at all – it is sufficient that the premium be paid. The digitalisation of our products and related services is also what we want to focus on in the future.

At the same time, I want to emphasise that although the online environment is high on our agenda, there is still the possibility to conclude a contract with a professional advisor – as their role for the clients remains irreplaceable. Which is why we have been improving the tools for our intermediaries and business partners, namely our SUS Plus application, on a regular basis. In addition to our own contracting environment, we have been developing our partners' possibilities to conclude contracts remotely, via web services.

Digital communication with clients makes our work more efficient in every aspect. It means less administration and thus more capacities where needed. This is proving to be the right path not only during the pandemic. Thanks to the introduction of digital communication, we consume less material and thus contribute to lowering the burden on the environment. Finally, it also shows our ability to respond to new social trends.

Social responsibility and sustainability are increasingly important aspects of a company's image. For ČPP, responsible business is a matter of course, and a commitment to the society and to the environment. For a long time, we have been supporting corporate volunteering. By signing the Diversity Charter, we became involved in several social projects. We also think of the public, which is why we organised Český pěšky (Czech on Foot) project with the Czech Tourist Club in 2021 to motivate the public to an active and healthy lifestyle.

Our work is always perceived and evaluated comprehensively, therefore the level of mutual cooperation is decisive for our long-term business success and depends on the functioning of a united and well-coordinated team. For me, an insurance company has to run like clockwork where everything is in harmony: from product development, through sales and administration, to claim settlement.

ČPP is a universal insurance company: we can offer comprehensive insurance coverage to a wide range of clients. We are constantly working on improving our products to keep up with client needs. The development in recent years has been unprecedented, and we dynamically continue to grow while significantly increasing our profits. Today, ČPP is a successful brand and a highly respected company on the Czech insurance market.

Let me conclude by thanking all employees for their excellent work, extraordinary effort and commitment in this challenging year, I appreciate it very much. Thanks and recognition also go to our business partners and brokers who have significantly contributed to the results achieved. And, importantly, I thank very much our clients for their long-term trust.

A handwritten signature in blue ink, which appears to read 'Besperát'.

Ing. Jaroslav Besperát  
Chairman of the Board of Directors

# AWARDS WON IN 2021

## Zlatá koruna (Golden Crown)

In the 19th annual Golden Crown competition, ČPP won the total of four awards: gold for Business and Industry Insurance, and bronze for our SIMPLEX product – insurance for entrepreneurs. Two trophies were won by Autopojištění Combi Plus IV car insurance: silver in MTPL category and bronze in the non-life insurance category. Winners of the individual categories are chosen by the Finance Academy consisting of independent experts headed by Vice-Chancellor of the Prague University of Economics and Business doc. Ing. Petr Dvořák, Ph.D. The project took place under the auspices of Governor of the Czech National Bank Ing. Jiří Rusnok and Finance Minister JUDr. Alena Schillerová.



**1. místo**  
Pojištění podnikatelů  
a průmyslu



**2. místo**  
Autopojištění  
Combi Plus IV



**3. místo**  
Autopojištění  
Combi Plus IV



**3. místo**  
Pojištění pro  
podnikatele SIMPLEX

## Best Insurance Company

ČPP was again successful in 13th annual Best Insurance Company competition for 2021, organised by the daily Hospodářské noviny. Among strong competitors, we were ranked third in the Best Non-Life Insurance Company category. The project was sponsored by Vice-Governor of the Czech National Bank Tomáš Nidetzký. Professional partners were the Czech Banking Association and the Czech Insurance Association. The research and ranking was carried out by the Datank agency.



**NEJLEPŠÍ  
POJIŠŤOVNA 2021**

## Certificate for environmental approach

In 2021, our employees in all regions participated in project Give Your Mobile Phone a Second Chance organised in cooperation with REMOBIL, a non-profit organisation. An increasing number of mobile phones are piling up in households, posing an environmental problem for the future. Thanks to their recycling, raw materials needed to produce mobile phones can be used repeatedly. This means significant savings of water, limited mining activity, and less CO2 equivalents produced. Moreover, recycling itself brings jobs to the disabled and otherwise disadvantaged people.



Nezisková společnost Remobil, z.s. v rámci projektu Remobil uděluje:

společnosti:

### Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group

Počet sebraných mobilních telefonů	<b>206 kusů</b>
Benefit pro životní prostředí - snížení emisí ekv. CO <sub>2</sub> - úspora pitné vody - snížení počtu kilometrů (újetých průměrným automobilem)	<b>326 kg</b> <b>6 159 litrů</b> <b>1 992 km</b>
Množství práce pro hendikepované a jinak znevýhodněné	<b>32 hod.</b>





V Praze dne 22. 7. 2021



Jiří Šmejkal  
Předseda výboru spolku - Remobil, z.s.



ZE STAREHO, NOVĚ!  
Hlavní partner projektu

The background is a vibrant blue gradient, transitioning from a lighter cyan on the left to a deeper navy blue on the right. It is overlaid with a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and rectangles, in various shades of blue. Interspersed among these shapes are numerous thin, horizontal white lines of varying lengths, some of which have a soft, glowing effect, suggesting motion or data flow. The overall aesthetic is clean, modern, and tech-oriented.

# MANAGEMENT REPORT

# MANAGEMENT REPORT

## ASSESSMENT OF 2021

In 2021, total gross premiums written by ČPP reached a record-breaking CZK 12.4 billion (according to Czech Accounting Standards, CAS). This is the historically highest amount of written premium during ČPP's presence in the Czech insurance market. This result is all the more valuable as it was achieved in extraordinarily difficult times affected by the coronavirus crisis. We also had to cope with natural disasters in Moravia, and several more natural disaster where clients relied on our help. This year confirmed that ČPP is well prepared for similar situations, both financially and in terms of human resources.

The year-on-year increase in gross premiums written, according to Czech Insurance Association's methodology, amounted to 9.4%. ČPP was among the fastest growing insurance companies of the TOP 10 Czech insurance companies. With its market share of 8.1% ČPP strengthened its position as the fifth largest insurance company in the total ranking. Net profit (according to CAS) reached CZK 776 million in 2021. The registered capital totalled CZK 1 billion. Total assets of the ČPP amounted to CZK 21 billion in 2020; technical provisions to CZK 10,7 billion. ČPP administers 2.3 million client contracts and provides services to 1.3 million clients.

ČPP's sales network consists of six regional directorates located in Prague, Pilsen, Hradec Králové, České Budějovice, Brno and Ostrava. In 2021, services to clients were provided through more than one hundred branch offices across the entire Czech Republic. In addition to the branch offices, in 2021 ČPP also provided services through 73 exclusive insurance offices and about 145 points of sale. The performance of the internal network was also supported by the performance of the ČPP Servis, s.r.o. subsidiary and its 19 points of sale.

Gross premiums written generated by brokers grew by CZK 365 million year-on-year to almost CZK 4 billion. In the large risks insurance segment, ČPP collaborates with major insurance intermediaries and other professional entities operating in the insurance market. ČPP offers a complete range or property, liability, and transportation insurance, as well

as special risk insurance. The quality of services, and in particular our individual approach to and care for every client are the key to ČPP's long-term success – and this applies to contracting, administration, and, most importantly, claim settlement.

According to the Czech Insurance Associations' statistics, non-life insurance grew by 10.2% year-on-year in 2021, which is double the market rate (the entire market grew by 5.8%). With a market share of 9.3%, ČPP is the fourth largest non-life insurer in the Czech Republic. This excellent result is mostly due to motor third-party liability insurance (up by 9.5%), accident insurance (up by 7.2%) and industry insurance (up by 11.9%).

In the civil insurance segment in 2021, changes were made to DOMEX+, the key property and civil liability insurance product. In travel insurance, a transition to the new contracting environment SUS Plus was completed and, in response to the ongoing pandemic situation, a new COVID Plus rider was developed; a new travel insurance was also launched on the ČPP website. In property insurance, the pilot operation of insurance valorisation continued, and clients were also offered a new Medical Assistance rider. The transition to the new contracting environment SUS Plus, including product modifications, was also carried out for SIMPLEX business insurance, and initiated for the KOMPLEX product. For SIMPLEX, the number of insurance contracts concluded increased by approximately 30% and the premiums written grew by approximately CZK 5.5 million year-on-year.

In retail car insurance, in 2021 ČPP successfully offered the fourth generation of Autopojištění Combi Plus car insurance (ACP IV) and also introduced several novelties. In contract negotiation and damage documentation, in cooperation with our affiliate Global Expert, we offered our clients video viewings – remote car inspections assisted by technicians. When negotiating accident insurance or in the event of damage to the vehicle, clients no longer have to visit the insurance company, but can arrange everything through their

mobile phone or tablet. Another novelty was the modification of GAP insurance, which can now be arranged for vehicles up to three years old and for a period of 4 years. We also increased the limit of motor third party liability insurance for the SPOROPOV product to CZK 50 million for damage to health and property. Especially in the first half of 2021, clients' behaviour as regards the operation of their vehicles was still affected by the pandemic and the related lockdown, but less than the previous year; this which was reflected both in the higher frequency of assistance services provided, and in the number of insurance claims, which were almost back to normal numbers.

According to the Czech Insurers' Bureau, in 2021 ČPP reported an increase in the number of vehicles insured in liability insurance by 60,000 to a total of 1,414,011 insurance contracts. Accident insurance has also been doing well, and interest in various riders has been growing steadily. Technical results were also positive. ČPP has consolidated its position among the leaders of the car insurance market in the Czech Republic. In terms of premiums written, we defended our position as number three in the statutory third-party liability insurance (MTPL) market, with a market share of 15.9%.

In unit-linked assurance, risk and life assurance, ČPP continued to offer the NEON product line which includes coverage of both life and non-life risks, possibly with an investment component. NEON products were innovated in 2021: new riders were added and some existing riders were modified. We added a new option to assurance on death – terminal disease coverage. We also offered our clients a new telephone assistance service – ČPP Help, a social and health helpline. The service operates around the clock and can be used by the insured person themselves and five other close persons. We answer the caller's questions about health, social and legal issues and provide advice. Incapacity insurance has also undergone changes, and we now allow clients to choose benefits retrospectively from the first day of incapacity for work. For hospitalisation insurance (all three riders – hospitalisation due to illness, accident, and hospitalisation with

accompaniment), we newly provide benefits without a limit on the number of days, and for hospitalisations worldwide.

In 2021, ČPP reported written premiums in life assurance of CZK 2.7 billion, which is a year-on-year increase of 6.8% (the entire market grew by 1.5%). The important segment of regular premium products also grew by 6.8%. The number of insurance contracts in the portfolio exceeded 260 thousand. In addition to its own network, ČPP has been realising a significant part of its sales through selected consulting companies.

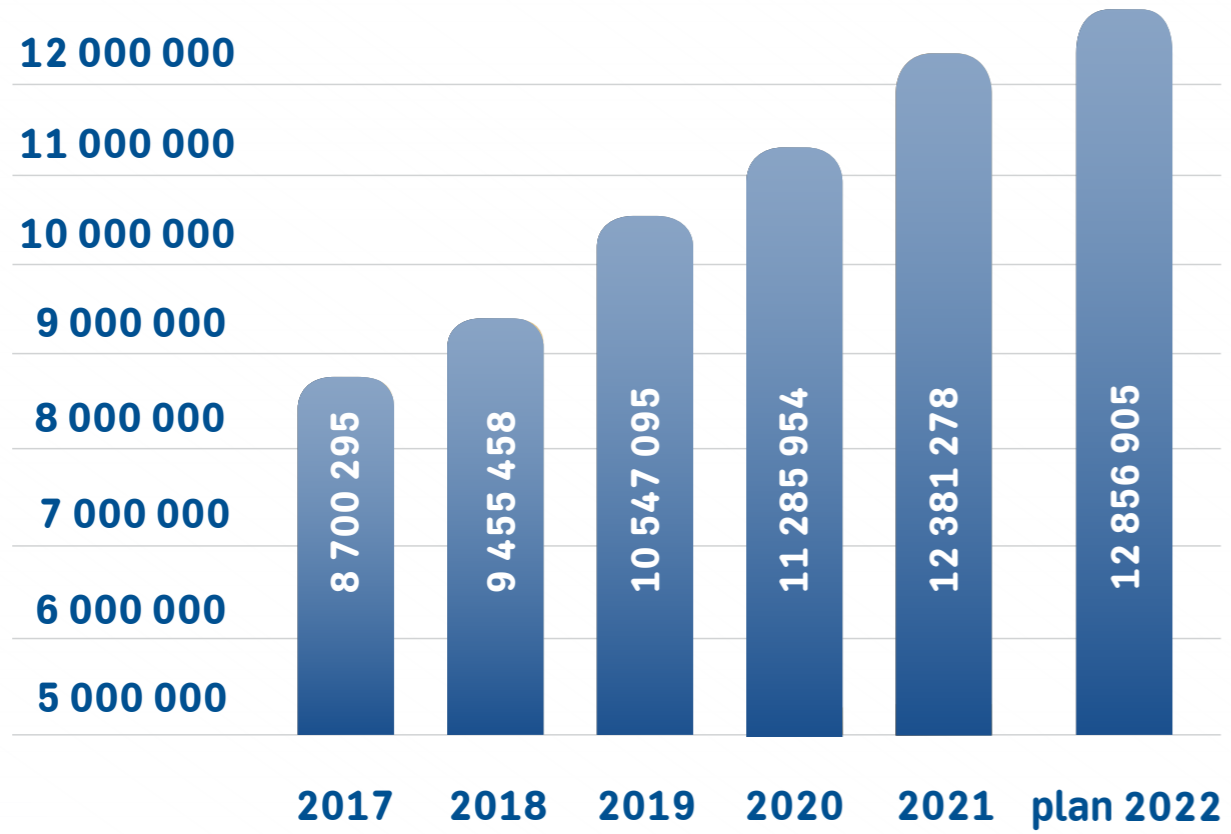
Throughout the year, the working regime was being switched from presence to distance form, depending on the current situation. Systemic measures were taken to ensure the full functioning of the insurance company, and clients received quality service despite pandemic restrictions. The range of insurance products offered, and the manner of sale, had to be adjusted to respond to clients' needs. Operating systems and processes were set to minimise face-to-face meetings. Under these circumstances, it was very important to have proper communication set-up, covering the entire spectrum of activities: both vis-à-vis clients and business partners, and within the company. In 2021, there was also a change in the shareholder. ČPP is doing well, and the trust of clients and business partners has been growing stronger. As a result, 2021 was the most successful year in the entire existence of ČPP.

Transparency, professionalism and flexibility, along with a human approach, compliancy in negotiation and helpfulness – these are examples of ČPP's characteristics that the professional public and clients appreciate. In 2021, ČPP succeeded in the Best Insurance Company competition organised by Hospodářské noviny daily, and in the Zlatá koruna (Golden Crown) competition.



**Development of written premiums 2017 – 2021, plan 2022**

(In thousands of czech crowns tczk)



## REINSURANCE

In 2021, reinsurance coverage followed along the lines of previous years, without major changes. The long-term reinsurance strategy, based on minimising the impact of any large individual or cumulative damage on the company's economic result, brought the expected positive effect in a year that was extreme, particularly in large fire losses. Conservatively low own retentions and a high-quality panel of reinsurers with an A+ Standard & Poor's rating have significantly contributed to the company's stability. SCOR and Munich Re remained senior reinsurers in the most important reinsurance programmes covering fire and liability risks. The group reinsurance company VIG Re brought a positive synergy effect in covering MTPL and natural disaster risks. The modelling and placement of the disaster reinsurance programme was carried out in cooperation with reinsurance brokers AON and Willis.

## CORPORATE SOCIAL RESPONSIBILITY

ČPP considers responsible business one of its main commitments to society and to the environment. Social responsibility encompassing economic, social and environmental aspects is a part of our corporate culture. ČPP strives to meet the Sustainable Development Goals (SDGs) while increasing the value of the company. We want to be an attractive player on the labour market for clients, shareholders, employees and the society. Our priorities include client satisfaction, ethical behaviour, responsibility, environmental protection, innovation and support to charitable activities.

In cooperation with the Business for Society platform, ČPP has been involved in corporate volunteering: for the first time, employees could use 2 days a year for volunteer work. A total of 248 employees participated in the programme, while due to COVID measures, volunteer events took place mainly in the summer and autumn. ČPP also supplied computer technology to children's homes for distance learning. When a tornado struck Moravia in the summer, employees organised a fundraiser for the affected region. Close to 70 volunteers travelled to Moravská Nová Ves and its surroundings to help those affected. They also organised a fundraiser for a colleague who lost her home as a result of the natural disaster.

In the Breakfast That Helps event, employees raised funds to provide veterinary care for handicapped animals. Within the World Day of Generosity and Good Deeds, organised by the Association of Social Responsibility as part of Giving Tuesday, employees together with ČPP supported a children's home in Unhošť, contributing for equipment of children's rooms. There is also the Český pěšky (Czech on Foot) project, a prevention programme developed in cooperation with the Czech Tourist Club, which aims to promote health and fitness: during and after the pandemics, 12 walks were organised in eight regions of the Czech Republic, with almost 14,000 participants crossing the finish line.

Charity is also important for ČPP: for almost two decades, we have been supporting the Police and Fire Foundation. In the autumn campaign, we committed to contribute CZK 50 from ČPP's funds for each new property insurance contract concluded. A symbolical cheque worth CZK 700,000 was handed over to the foundation's director, Vladimír Šuter, by Chairman of the Board of Directors Jaroslav Besperát. The financial donation will be used by the foundation to improve the living conditions of the children of police officers and firefighters who died in the line of duty, former colleagues physically disabled as a result of injuries suffered in performing their duties, as well as to help the families of police officers and firefighters who unexpectedly found themselves in difficult life situations.

ČPP behaves sustainably towards the environment. The Prague headquarters ranks among the best rated buildings in the Czech Republic and was awarded an LEED certification. It excels in the use of energy, the quality of its indoor environment, and the innovations it uses. Environmental friendliness is one of the important values of our corporate culture. Through innovations, ČPP is constantly stepping up its efforts to operate the headquarters and branches in an environment-friendly manner, including equipping them with containers for waste sorting. ČPP also saves hundreds of kilograms of paper every year by digitalising client and employee documentation.

ČPP supports the education and personal development of all employees, while we also focus on the 55+ category. In regular meetings, we keep in touch with parents on maternity and parental leave. Since 2017, ČPP has been part of the European Diversity Charter. ČPP is committed to creating equal opportunities for men and women in the workplace and promoting work-life balance.

The background is a dynamic composition of various shades of blue, from light cyan to deep navy. It features several overlapping, semi-transparent geometric shapes, primarily triangles and rectangles, which create a sense of depth and movement. Interspersed among these shapes are numerous thin, horizontal white lines of varying lengths, some of which appear to be blurred or have a soft glow, suggesting speed or digital data flow. The overall effect is a modern, high-tech aesthetic.

VIENNA INSURANCE GROUP

# VIENNA INSURANCE GROUP

We focus on providing products and services tailored to our customers in Central and Eastern Europe. Our strategy is geared towards sustainable profitability and steady earnings growth, making us a reliable partner in rapidly changing times

Over 25,000 employees work for Vienna Insurance Group, at around 50 companies in 30 countries. We develop insurance solutions in line with personal and local needs, which has made us the leader in the insurance industry in Central and Eastern Europe.

## EXPERTISE AND STABILITY

Vienna Insurance Group is an international insurance group based in Vienna. After the fall of the Iron Curtain in 1989, the group gradually developed from a first insurance group entering the market into a market leader in the Central and Eastern Europe. Vienna Insurance Group is synonymous with stability and expertise in providing financial protection against risks. Our experience together with a focus on our core competence – providing insurance coverage – forms a solid and secure basis for our 22 million-plus customers.

## FOCUS ON CENTRAL AND EASTERN EUROPE

Vienna Insurance Group considers Central and Eastern Europe its home market and pursues a long-term business strategy in the markets where it is present. More than a half of the group's total business is generated in this region, and the group still sees a lot of potential here. Economic growth in Central and Eastern Europe has on average been twice as high as in Western Europe, and insurance density is still far below the EU average.

## LOCAL MARKET PRESENCE

Vienna Insurance Group considers the financial protection of their customers against risks a responsibility. While doing so, the group pursues a local multi-brand strategy based on established local brands and local management. Ultimately, the group's success and closeness to its customers comes down to the strengths of each individual brand and local know-how.

## FINANCIAL STRENGTH AND CREDIT RATING

Vienna Insurance Group has an A+ rating with stable outlook from internationally renowned rating agency Standard & Poor's. Vienna Insurance Group's shares are traded on the stock markets in Vienna and in Prague. Around 70% of VIG's shares are owned by Wiener Städtische Versicherungsverein, a stable core shareholder with a long-term strategy. The rest of the shares are owned by small shareholders.



Status: January 2022

WE ARE **NUMBER 1**  
IN CENTRAL AND EASTERN EUROPE.



The background is a vibrant blue gradient, transitioning from a lighter cyan on the left to a deeper navy blue on the right. It is overlaid with a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and rectangles, in various shades of blue. Interspersed among these shapes are several thin, horizontal white lines that appear to be light trails or motion blur, adding a sense of dynamic movement and modernity to the design.

## AUDITOR'S REPORT



**KPMG Česká republika Audit, s.r.o.**

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This document is an English translation of the Czech auditor's report.  
Only the Czech version of the report is legally binding.

**Independent Auditor's Report to the Shareholders of  
Česká podnikatelská pojišťovna, a.s., Vienna Insurance  
Group**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group ("the Company"), prepared in accordance with Czech accounting legislation, which comprise the balance sheet as at 31 December 2021, and the income statement and the statement of changes in equity for the year then ended 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes. Information about the Company is set out in Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance for the year then ended in accordance with Czech accounting legislation.

**Basis for Opinion**

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and of the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Measurement of provision for liabilities arising from the applied technical interest rate (life insurance)**

As at 31 December 2021, Provision for liabilities arising from the applied technical interest rate: MCZK 0 within Other technical provisions.

Refer to additional information disclosed in Note 1.4. (m) and 11.9. (d) of the Company's financial statements.

Key audit matter	How the audit matter was addressed
<p>Life insurance contracts liabilities represent significant liability items in the statement of financial position. Measurement thereof is associated with significant estimation uncertainty as it requires management board to exercise judgment and develop complex and subjective assumptions. These assumptions are used as inputs into the valuation model that uses standard actuarial methods.</p> <p>At each reporting date, the Company is also required to perform a liability adequacy test (hereinafter, "LAT") with an aim to determine whether its recognized life insurance contract liabilities are adequate. The test is based on the comparison of the management's current estimates of the present value of future cash flows arising from the in-force insurance contracts with the stated amounts of life insurance contracts liabilities. In case the LAT shows that the amounts of the liabilities are insufficient in light of the estimated future cash flows, the entire deficiency is recognized as a provision for liabilities arising from the applied technical interest rate in correspondence with a profit or loss.</p>	<p>Our procedures in the area, performed, where applicable, with the assistance of our own actuarial specialists, included the following, among other things:</p> <ul style="list-style-type: none"> <li>– We critically assessed the method and models applied by the Company against current industry practice and relevant regulatory and financial reporting requirements;</li> <li>– We tested the design and implementation of selected controls over the Company's process for setting actuarial assumptions and other input data for actuarial models;</li> <li>– We assessed relevance and reliability of key input data used in the LAT model. As part of our procedures, we traced significant data elements to the Company's records and experience analysis;</li> <li>– We assessed the results of the Company's experience studies ('back-testing'), and used those historical results, as well as market data, to challenge the key assumptions used in the measurement of the provision for liabilities arising from the applied technical interest rate, such as, among others:</li> </ul>



<p>Relatively insignificant changes in the assumptions applied by the Company can have a material effect on the amount of liabilities arising from the applied technical interest rate. The assumptions that we consider as those with most significant impact are the ones for discount rates used, policyholders' life expectancy, morbidity and mortality rates, policy lapse rates and expenses.</p> <p>For the above reasons, we considered this area to be associated with a significant estimation uncertainty and a significant risk of material misstatement, which required our increased attention in the audit. As such we considered it to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>(i) policyholders' life expectancy,</li> <li>(ii) morbidity and mortality rates,</li> <li>(iii) policy lapse rates,</li> <li>(iv) expenses, and</li> <li>(v) discount rates.</li> </ul> <ul style="list-style-type: none"> <li>– We performed a retrospective assessment of the Company's liability adequacy test by comparing the predictions of the previous year's model with the actual outcomes;</li> <li>– We assessed the Company's disclosures regarding provision for liabilities arising from the applied technical interest rate against the requirements of the relevant financial reporting standards.</li> </ul>
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**Measurement of provisions for incurred but not yet reported claims (life and non-life insurance)**

As at 31 December 2021, provision for outstanding claims: MCZK 7,157 (including provision for insurance claims incurred but not yet reported in the period (IBNR) of MCZK 1,781 and provision for claims incurred and reported, but not yet settled (RBNS) of MCZK 5,376).

Refer to additional information disclosed in Note I.4. (k) and II.9. (b) of the Company's financial statements.

Key audit matter	How the audit matter was addressed
<p>In measuring the provisions for outstanding claims, particular complexity is associated with the estimate of the amount of the expected ultimate cost of claims incurred but not yet reported ('IBNR'). A range of methods may be used, and in many cases standard actuarial methods need adjustments specific to the circumstances and such adjustments also require the application of significant judgment</p> <p>For the majority of classes of insurance, the Company uses the chain-ladder method based on the amount of insurance claims incurred. Also, Monte Carlo simulations are applied for large</p>	<p>Our procedures in the area, performed, where applicable, with the assistance of our own actuarial and information technology (IT) specialists, included the following, among other things:</p> <ul style="list-style-type: none"> <li>– We tested the design and implementation of selected system (IT-based) and manual controls over measurement of the provisions for outstanding claims, including those over determination of actuarial assumptions.;</li> <li>– In respect of the IBNR provision, with specific consideration of the expected effects of the COVID-19 pandemic, we:</li> </ul>

<p>claims and annuities of motor third party liability insurance.</p> <p>Key inputs in determining the IBNR provision represent data on claims incurred in prior periods, in particular their amount and frequency, as well as market claims data (for IBNR in motor third party liability insurance).</p> <p>Relatively minor changes in management's assumptions can have a significant effect on the recognized amounts of the claim provisions.</p> <p>Due to the above factors, we considered measurement of the IBNR provision to be our key audit matter.</p>	<ul style="list-style-type: none"> <li>• critically assessed the method and model applied in measuring the amount of the provision against the relevant requirements of the financial reporting standards and market practice.</li> <li>• assessed the key assumptions applied, such as the characteristics of the insurance portfolio and expected amount and frequency of future insurance claims including parameters of Monte Carlo simulations, by reference to publicly available market data and the Company's experience studies.</li> </ul> <ul style="list-style-type: none"> <li>– We analysed significant year-to-year variations in the amount of the provisions and made relevant inquiries of the Company's actuarial experts. We also carried out own independent recalculations of key elements of the IBNR provisions;</li> <li>– We evaluated the reasonableness of the IBNR provisions by performing the comparison of the actual experience to previously expected results;</li> <li>– In addition, we assessed the Company's disclosures regarding IBNR provisions against the requirements of the relevant financial reporting standards.</li> </ul>
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**Other Information**

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable



laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

#### ***Responsibilities of the Statutory Body, Supervisory Board and Audit Committee for the Financial Statements***

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting legislation and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process. The Audit Committee is responsible for monitoring the Company's financial reporting process.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting



from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

##### *Appointment of Auditor and Period of Engagement*

We were appointed as the auditors of the Company by the General Meeting of Shareholders on 2 May 2018 and our uninterrupted engagement has lasted for 15 years.





*Consistency with Additional Report to Audit Committee*

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 28 March 2022 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council.

*Provision of Non-audit Services*

We declare that no prohibited services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided.

Except for the statutory audit, we did not provide the Company and its controlled undertakings with any other services that have not been disclosed in notes to the financial statements or annual report.

**Statutory Auditor Responsible for the Engagement**

Ing. Ondřej Fikrle is the statutory auditor responsible for the audit of the financial statements of Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group as at 31 December 2021, based on which this independent auditor's report has been prepared.

Prague  
28 March 2022

*KPMG Česká republika Audit*  
KPMG Česká republika Audit, s.r.o.  
Registration number 71

*Ondřej Fikrle*  
Ing. Ondřej Fikrle  
Partner  
Registration number 2525

The background is a vibrant blue gradient with various shades from light cyan to deep navy. It features several overlapping geometric shapes, including triangles and rectangles, some of which are semi-transparent. Horizontal white light streaks of varying lengths and thicknesses are scattered across the image, creating a sense of motion and depth. The overall aesthetic is modern and technological.

FINANCIAL PART

# BALANCE SHEET AS AT 31 DECEMBER 2021

## (IN THOUSANDS OF CZECH CROWNS TCZK)

Registered office of the Company: Pobřežní 665/23, 186 00 Praha 8  
IČ: 63 99 85 30

Description	Line number	2021 Gross	2021 Adjustment	2021 Net	2020 Net
I. ASSETS					
A. Receivables for subscribed registered capital	10				
B. Intangible fixed assets, thereof:	11	<b>599 150</b>	<b>444 139</b>	<b>155 011</b>	<b>152 066</b>
b) Goodwill	13				
C. Investments	14	<b>12 520 830</b>	<b>1 897</b>	<b>12 518 933</b>	<b>12 396 452</b>
I. Land and buildings, thereof:	15	6 906	1 897	5 009	5 147
2. Land	18				
2. Buildings	19	6 906	1 897	5 009	5 147
a) Investments - self-occupied	16	6 906	1 897	5 009	5 147
II. Investments in affiliated undertakings and participating interests	17	489 416		489 416	411 636
1. Participating interests with controlling influence	18	486 110		486 110	405 108
2. Debt securities issued by, and loans and credits to, undertakings - controlling influence	19	3 306		3 306	6 528
3. Participating interests with significant influence	20				
4. Debt securities issued by, and loans and credits to, undertakings - significant influence	21				
III. Other investments	22	12 024 508		12 024 508	11 979 669
1. Shares and other variable-yield securities, other participating interest	23	1 033 212		1 033 212	764 268
2. Bonds and other fixed-income securities:	24	10 977 475		10 977 475	10 137 412
a) valued at fair value		6 239 847		6 239 847	5 330 730
b) held to maturity		4 737 628		4 737 628	4 806 682
3. Investments in investment associations	25				
4. Other loans and credits	26	0		0	1 069 972
5. Deposits with financial institution	27				
6. Other investments	28	13 821		13 821	8 017

Description	Line number	2021 Gross	2021 Adjustment	2021 Net	2020 Net
IV. Deposits with ceding undertakings	29				
D. Investments for the benefit of life assurance policyholders who bear the investment risk	30	<b>2 620 476</b>		<b>2 620 476</b>	<b>2 257 321</b>
E. Debtors		<b>2 019 416</b>	<b>352 473</b>	<b>1 666 943</b>	<b>1 268 810</b>
I. Receivables arising from direct insurance operations	31	937 645	299 307	638 338	561 286
1. Policyholders, thereof:	32	804 469	210 881	593 588	546 328
2. Intermediaries, thereof:	35	133 176	88 426	44 750	14 958
II. Receivables arising from reinsurance operations, thereof:	38	43 700		43 700	17 085
III. Other receivables, thereof:	41	1 038 071	53 166	984 905	690 439
F. Other assets	44	<b>600 942</b>	<b>129 387</b>	<b>471 555</b>	<b>725 238</b>
I. Tangible fixed assets other than those listed under "C.I. Land and buildings", and inventories	45	157 881	129 387	28 494	32 471
II. Cash on accounts in financial institutions and cash in hand	46	443 061		443 061	692 767
III. Other assets	47				
G. Temporary asset accounts	48	<b>3 576 013</b>		<b>3 576 013</b>	<b>3 281 091</b>
I. Accrued interest and rent	49				
II. Deferred acquisition costs:	50	2 824 039		2 824 039	2 764 279
a) in life-assurance business	51	1 982 373		1 982 373	1 993 766
b) in non-life insurance	52	841 666		841 666	770 513
III. Other temporary asset accounts	53	751 974		751 974	516 812
a) Estimated receivables		569 438		569 438	460 144
<b>TOTAL ASSETS</b>		<b>21 936 827</b>	<b>927 896</b>	<b>21 008 931</b>	<b>20 080 978</b>

Description	Line number		2021		2020
II. LIABILITIES					
A. Equity	55		<b>2 851 747</b>		<b>3 404 851</b>
I. Registered capital, thereof:	56		1 000 000		1 000 000
II. Revaluation fund	61		-41 907		231 604
III. Reserve fund and other funds from profit	62		17 738		10 731
IV. Profit or loss brought forward	63		1 099 461		1 543 880
V. Profit or loss for the financial year	64		776 455		618 636
B. Subordinated liabilities	65				
C. Technical provisions	66		<b>10 731 990</b>		<b>9 951 694</b>
1. Provision for unearned premiums:	67				
a) gross amount	68	3 694 037		3 276 123	
b) reinsurance share (-)	69	836 630	2 857 407	761 528	2 514 595
2. Life assurance provision:	70				
a) gross amount	71	3 194 962		3 115 379	
b) reinsurance share (-)	72		3 194 962		3 115 379
3. Provision for outstanding claims:	73				
a) gross amount	74	7 156 728		6 259 768	
b) reinsurance share (-)	75	3 404 612	3 752 116	2 745 349	3 514 419
4. Provision for bonuses and rebates:	76				
a) gross amount	77	910 317		767 299	
b) reinsurance share (-)	78	42 067	868 250	31 181	736 118
6. Other technical provisions:	86				
a) gross amount	87	68 945		74 948	
b) reinsurance share (-)	88	9 690	59 255	3 765	71 183
D. Life assurance technical provision where the investment risk is borne by the policyholders:	89		<b>2 620 477</b>		<b>2 257 321</b>
a) gross amount	124	2 620 477		2 257 321	
b) reinsurance share (-)	125				

Description	Line number		2021		2020
E. Provisions	90		<b>245 389</b>		<b>392 401</b>
1. Provisions for pensions and similar obligations	91		36 034		40 137
2. Provisions for taxation	92		124 355		345 513
3. Other provisions	93		85 000		6 751
F. Deposits received from reinsurers	94		<b>2 608 439</b>		<b>2 384 980</b>
G. Creditors	95		<b>711 353</b>		<b>626 741</b>
I. Payables arising from direct insurance operations, thereof:	96		465 446		419 188
II. Payables arising from reinsurance operations, thereof:	99		50 584		40 809
III. Payables arising from debt securities, thereof:	102				
IV. Amounts owed to credit institutions, thereof:	107				
V. Other payables, thereof:	110		195 323		166 744
a) Tax liabilities and payables due to social security and health insurance institutions	111		30 947		30 410
VI. Guarantee Fund of the Bureau	113				
VII. Loss prevention fund	114				
H. Temporary liability accounts	115		<b>1 239 536</b>		<b>1 062 990</b>
I. Accrued expenses and deferred revenues	116		431 138		393 174
II. Other temporary liability accounts:	117		808 398		669 816
a) Estimated payables			808 398		669 816
<b>TOTAL LIABILITIES</b>			<b>21 008 931</b>		<b>20 080 978</b>

# INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSANDS OF CZECH CROWNS TCZK)

Registered office of the Company: Pobřežní 665/23, 186 00 Praha 8  
IČ: 63 99 85 30

Description	2021 Base	2021 Subtotal	2021 Result	2020 Result
I. TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE	x	x	x	x
1. Earned premiums, net of reinsurance:	x	x	x	x
a) gross premiums written	9 599 797	x	x	x
b) outward reinsurance premiums (-)	2 929 123	6 670 674	x	x
c) change in the gross provision for unearned premiums (+/-)	410 994	x	x	x
d) change in the provision for unearned premiums, reinsurance share (+/-)	75 102	335 892	<b>6 334 782</b>	<b>5 775 925</b>
2. Allocated investment return transferred from the non-technical account	x	x	<b>174 868</b>	<b>40 685</b>
3. Other technical income, net of reinsurance	x	x	<b>110 801</b>	<b>74 248</b>
4. Claims incurred, net of reinsurance:	x	x	x	x
a) claims paid:	x	x	x	x
aa) gross amount	4 693 755	x	x	x
bb) reinsurance share (-)	1 559 996	3 133 759	x	x
b) change in the provision for outstanding claims:	x	x	x	x
aa) gross amount	808 425	x	x	x
bb) reinsurance share (-)	637 237	171 188	<b>3 304 947</b>	<b>3 117 469</b>
5. Changes in other technical provisions, net of reinsurance (+/-)	x	x	<b>10 172</b>	<b>3 395</b>
6. Bonuses and rebates, net of reinsurance	x	x	<b>174 876</b>	<b>160 690</b>
7. Net operating expenses:	x	x	x	x
a) acquisition costs	x	2 798 362	x	x
b) change in deferred acquisition costs (+/-)	x	-71 153	x	x

c) administrative expenses	x	422 840	x	x
d) reinsurance commissions and profit participation (-)	x	974 037	<b>2 176 012</b>	<b>1 863 850</b>
8. Other technical expenses, net of reinsurance	x	x	<b>206 946</b>	<b>187 782</b>
10. Sub-total on the technical account for non-life insurance	x	x	<b>747 498</b>	<b>557 672</b>

Description	2021 Base	2021 Subtotal	2021 Result	2020 Result
II. TECHNICAL ACCOUNT FOR LIFE ASSURANCE	x	x	x	x
1. Earned premiums, net of reinsurance:	x	x	x	x
a) gross premiums written	x	2 781 481	x	x
b) outward reinsurance premiums (-)	x	446 728	x	x
c) change in the provision for unearned premiums, net of reinsurance (+/-)	x	6 920	<b>2 327 833</b>	<b>2 194 084</b>
2. Income from investments:	x		x	x
a) income from participating interests, with a separate indication of that derived from controlling influence	x	x	x	x
b) income from other investments, with a separate indication of that derived from controlling influence:	x	x	x	x
aa) income from land and buildings		x	x	x
bb) income from other investments	140 758	140 758	x	x
c) value adjustments on investments	x	1 873	x	x
d) income from disposal of investments	x	337 260	<b>479 891</b>	<b>182 113</b>
3. Unrealised gains on investments	x	x	<b>333 412</b>	<b>78 201</b>
4. Other technical income, net of reinsurance	x	x	<b>140 095</b>	<b>30 646</b>

Description	2021 Base	2021 Subtotal	2021 Result	2020 Result
5. Claims incurred, net of reinsurance:	x	x	x	x
a) claims paid:	x	x	x	x
aa) gross amount	1 176 785	x	x	x
bb) reinsurance share (-)	148 816	1 027 969	x	x
b) change in the provision for outstanding claims:	x	x	x	x
aa) gross amount	88 535	x	x	x
bb) reinsurance share (-)	22 026	66 509	<b>1 094 478</b>	<b>1 153 690</b>
6. Changes in other technical provisions, net of reinsurance (+/-):	x	x	x	x
a) life assurance provisions:	x	x	x	x
aa) gross amount	79 584	x	x	x
bb) reinsurance share (-)		79 584	x	x
b) other technical provisions, net of reinsurance	x	341 057	<b>420 641</b>	<b>97 642</b>
7. Bonuses and rebates, net of reinsurance	x	x	<b>118 637</b>	<b>127 389</b>
8. Net operating expenses:	x	x	x	x
a) acquisition costs	x	973 303	x	x
b) change in deferred acquisition costs (+/-)	x	11 393	x	x
c) administrative expenses	x	113 156	x	x
d) reinsurance commissions and profit participation (-)	x	256 519	<b>841 333</b>	<b>749 586</b>
9. Expenses connected with investments:	x	x	x	x
a) investment management charges, including interest	x	9 923	x	x
b) value adjustments on investments	x	3 017	x	x
c) book value of disposed investments	x	377 177	<b>390 117</b>	<b>47 384</b>
10. Unrealised losses on investments	x	x	<b>16 182</b>	<b>16 101</b>
11. Other technical expenses, net of reinsurance	x	x	<b>36 050</b>	<b>20 442</b>
12. Allocated investment return transferred to the non-technical account (-)	x	x		
13. Sub-total on the technical account for life assurance	x	x	<b>363 793</b>	<b>272 810</b>

Description	2021 Base	2021 Subtotal	2021 Result	2020 Result
III. NON-TECHNICAL ACCOUNT	x	x	x	x
1. Result of the technical account for non-life insurance	x	x	<b>747 498</b>	<b>557 672</b>
2. Result of the technical account for life assurance	x	x	<b>363 793</b>	<b>272 810</b>
3. Income from investments:	x	x	x	x
a) income from participating interests, with a separate indication of that derived from controlling influence	x	9 460	x	x
b) income from other investments, with a separate indication of that derived from controlling influence	x	x	x	x
ab) income from land and buildings		x	x	x
bb) income from other investments	155 100	155 100	x	x
c) value adjustments on investments	x	25 929	x	x
d) income from disposal of investments	x	1 413 950	<b>1 604 439</b>	<b>1 144 736</b>
4. Allocated investment return transferred from the technical account for life-assurance	x	x		
5. Expenses connected with investments:	x	x	x	x
a) investment management charges, including interest	x	66 394	x	x
b) value adjustments on investments	x	11 211	x	x
c) book value of disposed investments	x	1 351 966	<b>1 429 571</b>	<b>1 104 050</b>
6. Allocated investment return transferred to the technical account for non-life-insurance	x	x	<b>174 868</b>	<b>40 685</b>
7. Other income	x	x	<b>16 134</b>	<b>2 280</b>
8. Other expenses	x	x	<b>165 284</b>	<b>37 167</b>
9. Income tax on ordinary activities	x	x	<b>185 640</b>	<b>176 901</b>
10. Profit or loss on ordinary activities after tax	x	x	<b>776 501</b>	<b>618 695</b>
15. Other taxes not shown under the preceding items	x	x	<b>46</b>	<b>59</b>
16. Profit or loss for the financial year	x	x	<b>776 455</b>	<b>618 636</b>

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.12.2021

(IN THOUSANDS OF CZECH CROWNS TCZK)

Registered office of the Company: Pobřežní 665/23, 186 00 Praha 8  
IČ: 63 99 85 30

	Registered capital	Own	Shares	Reserve funds	Capital funds	Changes in valuation	Profit (loss)	Total
Balance at 1.1. 2020	1 000 000			4 737		135 095	1 561 986	2 701 818
Correction of fundamental errors								
FX gains (losses) and changes in valuation not included in the profit and loss statement						96 509		96 509
Net profit/loss for accounting period							618 636	618 636
Profit shares								
Transfers to funds				18 106			-18 106	
Revaluation of available for sale securities								
Reduction of funds				-12 112				-12 112
Shares issued								
Reduction in registered capital								
Own shares purchased								
Other changes								
Balance at 31.12. 2020	1 000 000			10 731		231 604	2 162 516	3 404 851

	Registered capital	Own	Shares	Reserve funds	Capital funds	Changes in valuation	Profit (loss)	Total
Balance at 1.1. 2021	1 000 000			10 731		231 604	2 162 516	3 404 851
Correction of significant errors								
FX gains (losses) and changes in valuation not included in the profit and loss statement						-273 511		-273 511
Net profit/loss for accounting period							776 455	776 455
Profit shares							-1 041 055	-1 041 055
Transfers to funds				22 000			-22 000	
Reduction of funds				-14 993				-14 993
Shares issued								
Reduction in registered capital								
Own shares purchased								
Other changes								
Balance at 31.12. 2021	1 000 000			17 738		-41 907	1 875 916	2 851 747

# NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DEC 2021

## I. GENERAL INFORMATION

### I. 1. Description and principal activities

Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group („the Company“ or „the Insurance Company“) was registered in the Commercial Register on 6 November 1995.

ID number of the Company: 639 98 530

#### Principal business activities:

1. insurance activities pursuant to Act No. 277/2009 Coll., on Insurance, as amended, (“the Insurance Act”), Annex No. 1 to the Insurance Act:

- in the scope of life assurance classes listed in Part A, par. I, letters (a), (b), (c), par. II and par. III;
- in the scope of non-life insurance classes listed in Part B, par. 14, 15, 16, 17, 18;
- in the scope of non-life insurance classes listed in Part C, letters (a), (b), (c), (d), (e), (f), (g), (h).

2. reinsurance activities in the scope of non-life reinsurance.

#### Registered office of the Company:

Česká podnikatelská pojišťovna, a.s.,  
Vienna Insurance Group  
Pobřežní 665/23  
186 00 Praha 8

### Members of the board of directors and supervisory board as at 31 December 2021:

#### Members of the board of directors:

##### Chairman:

Jaroslav Besperát, date of birth 23 December 1970  
Praha 9, Čenovická 2142, post code 190 16

##### Members:

František Vlnař, date of birth: 6 June 1960  
Praha 4, Mikuláše z Husi 1521/2, post code 140 00

Jaroslav Kulhánek, date of birth: 12 March 1957  
Hradec Králové, Zalomená 175/22; post code 500 02

Christoph Rath, date of birth: 16 November 1976  
1090 Wien, Kurzbauegasse 5/1, Austria

#### Supervisory board:

##### Chairman:

Vladimír Mráz, date of birth: 11 April 1940  
Nekázanka 881/9, Nové Město, 110 00 Praha 1

##### Vice-chairman:

Prof. Elisabeth Stadler, date of birth: 1 December 1961  
3550 Langenlois, Höllgasse 32, Austria

##### Members:

Jolana Kolaříková, date of birth: 9 February 1978  
Bacháčkova 210/4, Malešice, 108 00 Praha 10

Petr Vokřál, date of birth: 23 November 1973  
Politických vězňů 123, 281 51 Velký Osek

Martin Diviš, MBA, date of birth: 1 December 1973  
Divoká Šárka 39/4, Liboc, 164 00 Praha 6

Gerhard Lahner, date of birth: 15 March 1977  
2130 Mistelbach, Gartengasse 21, Austria

Hartwig Löger, date of birth: 15 July 1965  
1020 Wien, Untere Donaustrasse 47/13, Austria

Karl Fink, date of birth: 22 August 1945  
1020 Wien, Kurzbauer Gasse 5/17, Austria

Romana Hartlová, date of birth: 5 January 1969  
Na Návsí 600, Osnice, 252 42 Jesenice

Hartwig Löger and Karl Fink became new members of the Supervisory board as at 29 April 2021. Romana Finklová became member of the Supervisory board as at 21 June 2021.

#### Sole shareholder:

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe  
A-1010 Wien, Schottenring 30, Austria  
Registration No.: FN 75687 f

As a result of the transfer of the ownership interest for consideration, Kooperativa pojišťovna, a.s. lost ownership of the Company as at 21 June 2021, and VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe became the new shareholder as at the same date.

#### Course of action

To represent the will and to sign on behalf of the Company, two members of the board of directors of the Company must always act and sign together. In order to sign on behalf of the Company, the signature and title of the required number of persons is appended alongside the printed or written name of the Company.

#### Organisational structure:

The Company has the following bodies: the general meeting of shareholders, the board of directors and the supervisory board. The Company conducts its activities through its organisational divisions, comprising divisions of the first management level of the general directorate, the head office and the regional headquarters



## I. 2. Compliance with legislation

At the reporting date, the Company fully complied with Act No. 277/2009 Coll., on Insurance, as amended (“the Insurance Act”), Act No. 89/2012 Coll., the Civil Code, Act No. 170/2018 Coll., on Insurance and Reinsurance Distribution, Act No. 168/1999 Coll., on Liability Insurance for Losses Caused by the Operation of a Motor Vehicle, as amended (“the Act on Motor Third-Party Liability Insurance”), and related implementing decrees and other applicable legislation.

## I. 3. Basis of preparation

The accounting records of the Company are maintained and its financial statements have been prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended; Decree No. 502/2002 Coll., implementing certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for entities that are insurance companies (“Decree No. 502/2002 Coll.”); Czech Accounting Standards for entities that maintain their accounting records in compliance with Decree No. 502/2002 Coll., as amended, and other relevant legislation.

The accounting records of the Company are maintained in such a manner that the financial statements prepared based on those records give a true and fair view of the Company’s financial position and financial performance.

The financial statements are based on the assumption that the Entity will continue as a going concern and that there is no circumstance that would restrict or prevent the Entity’s ability to continue as a going concern in the foreseeable future. In connection with the ongoing COVID-19 pandemic and the governmental measures implemented in the fight against its outbreak, we are not aware of any substantial impact endangering the further operation of the Company in 2022. The Company has performed its own assessment of risks relating to the pandemic and regularly monitors their development. In a similar manner, it regularly reports the information to the Czech National Bank.

## I. 4. Significant accounting policies

### (a) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at acquisition cost.

Tangible fixed assets costing less than TCZK 80 referred to as low-value assets are depreciated over a three-year period except for IT assets. Low value IT assets costing less than TCZK 40 are charged to expenses in the year in which they are acquired; if the acquisition cost is higher than TCZK 40, the assets are depreciated over a four-year period. Intangible fixed assets costing less than TCZK 500 are charged to the income statement in the year in which they are acquired. The annual depreciation rate reflects the assets’ expected useful lives.

The following depreciation rates are used for the individual asset classes:

Fixed assets	Method	Depreciation rate in %
Software	Straight-line	33.3
Other intangible fixed assets	Straight-line	16.7 – 100.0
Long-term operating movable assets - class I and II	Straight-line	16.7 – 25.0
Long-term operating movable assets - class III	Straight-line	16.7

(grouped according to material subclasses with the same depreciation rate)

### (b) Investments

#### Land and buildings

Land and buildings are initially recorded at their acquisition cost. Land is not subsequently depreciated while buildings are subsequently depreciated over their estimated useful lives. In the income statement, depreciation and respective impairment are presented in: Investment management charges.

Fixed assets	Method	Depreciation rate in %
4th depreciation category – 30 years – 3.3%	Straight-line	3,33
5th depreciation category – 45 years – 2.25%	Straight-line	2,25
6th depreciation category – 50 years – 2.00%	Straight-line	2,00

Improvements to leased real estate are depreciated on a straight-line basis over the shorter of the lease term and their estimated useful lives.

#### Investments in affiliated undertakings and participating interests

Participating interests in controlled persons are participations in another enterprise in which the company holds a controlling influence. In addition, other cases where the insurance company is a controlling person are reported under this item. A participating interest with significant influence is an ownership interest in an affiliated company in which the insurance company exercises significant influence. The insurance company exercises significant influence if it holds, directly or indirectly, at least 20% of another company’s registered capital or voting rights, unless it exercises controlling influence over that company or clearly demonstrates that it is unable to exercise significant influence.

At the acquisition date and at the balance sheet date, participating interests are stated at their acquisition cost. The acquisition cost is the amount for which the participating interests were acquired and includes all expenses directly associated with the acquisition. Similarly for other assets, as at the balance sheet date the Company assesses whether the participating interests are impaired.

Participation interests denominated in foreign currency are translated based on the current exchange rate published by the CNB as at the balance sheet date and the appropriate exchange rate difference is charged to profit or loss.

#### Debt securities

At the acquisition date, debt securities are stated at acquisition cost.

Acquisition cost is the amount for which a debt security has been acquired and includes a proportionate part of any accrued interest and expenses directly associated with the acquisition.

The Company amortises premiums and discounts on all debt securities. Premiums and discounts are amortised to the income statement on the basis of the effective interest rate method from the date of acquisition to their maturity.

Amortised debt securities are revalued at their fair value as at the balance sheet date with the exception of debt securities held to maturity.

Fair value means the price derived from the listed market mid prices which are published by a domestic or foreign stock exchange or other public (organised) market. The Company applies the most recent published market price as at the date of the financial statements (balance sheet date). If no market price is available or if it does not sufficiently represent the fair value, the fair value is determined on the basis of a qualified estimate. In its models intended to establish the fair value of the Company's securities, the Company uses exclusively available market data. Valuation models reflect current market conditions existing at the date of valuation, which may not reflect the market situation before or after that date.

Amortised cost means the price used when first recognised (the acquisition cost), which is gradually increased by accrued interest income, adjusted by amortisation of the discount/premium and decreased by the amount of adjustments.

Debt securities are classified as securities valued at fair value through profit and loss or securities available for sale, and securities held to maturity

The Company recognises the bonds held to maturity at their amortised cost as at the balance sheet date.

A change in the fair value of debt securities valued through profit and loss is recognised in the income statement and a change in the fair value of available-for-sale securities is recognised in the balance sheet.

Where debt securities are denominated in a foreign currency, their value is translated based on the current exchange rate published by the Czech National Bank ("CNB"). The appropriate exchange rate difference is charged to profit or loss.

#### Shares and other variable-yield securities

At the acquisition date, shares and other variable-yield securities are accounted for at acquisition cost.

Acquisition cost is the amount for which the shares or other variable-yield securities were acquired and includes all expenses directly associated with the acquisition.

At the balance sheet date, shares and other variable-yield securities are revalued at their fair value.

Fair value means the price derived from the listed mar-

ket mid prices which are published by a domestic or foreign stock exchange or other public (organised) market. The Company applies the most recent published market price as at the date of the financial statements (balance sheet date). If no market price is available or if it does not sufficiently represent the fair value, the fair value is determined on the basis of a qualified estimate. In its models intended to establish the fair value of the Company's securities, the Company uses exclusively available market data. Valuation models reflect current market conditions existing at the date of valuation, which may not reflect the market situation before or after that date.

The change in fair value of available-for-sale shares and units is recognised in the balance sheet. The change in fair value of other variable-yield securities is recognised in the income statement.

Where shares and other variable-yield securities are denominated in a foreign currency, their value is translated based on the current exchange rate published by the CNB. The appropriate exchange rate difference is included in the fair value.

#### Deposits with financial institutions

Deposits with financial institutions are initially recognised at nominal value. As at the balance sheet date, this nominal value is adjusted by accrued interest.

Deposits denominated in a foreign currency are translated based on the current exchange rate published by the CNB and the appropriate exchange rate difference is charged to profit or loss.

#### Derivatives intended for trading

Derivatives are valued at fair value. Their fair value is derived from the listed market mid prices, from discounted cash flow models or from option valuation models that are based solely on available market data. Valuation models reflect current market conditions existing at the date of valuation, which may not reflect the market condition before or after that date. The management has reviewed these models as at the balance sheet date to ensure that they appropriately reflect current market conditions, including the relative liquidity of the market and credit spreads.

All derivatives are presented in Other investments. Valuation differences of financial derivatives held for trading are presented as unrealised gains or unrealised losses on investments in the income statement.

#### Hedging derivatives

Hedging derivatives are recognised in the balance sheet at fair value. Hedge accounting is only applied where:

- the hedge is in line with the Company's risk management strategy,
- the hedge relationship is formally documented at the inception of the hedge,
- the effectiveness of the hedge relationship can be objectively measured,
- the hedge relationship is highly effective throughout the accounting period, i.e. changes in the fair value or cash flows of the hedging instruments attributable to the hedged risk are within a range of 80-125% of the changes in the fair value or cash flows of the hedged instruments attributable to the hedged risk,

If the derivative hedges the exposure to changes in the fair value of assets and liabilities, the hedged item attributable to the risk being hedged is also carried at fair value. Gains and losses arising from the revaluation of the hedged item and the hedging derivative are recorded in the income statement.

The Company's strategy is to hedge the currency risk in respect of investment instruments denominated in other than the domestic currency, using forward exchange contracts (derivatives) or technical provisions maintained in the same currency.

#### (c) Investments for the benefit of life assurance policyholders who bear the investment risk

Investments for the benefit of life assurance policyholders who bear the investment risk are reported separately from other investments.

At the balance sheet date, investments for the benefit of life assurance policyholders who bear the investment risk are revalued at their fair value. In order to preserve the true and fair view of the Company's result for the year, all changes resulting from revaluation at fair value have been reflected in the Company's income statement.

#### (d) Adjustments

The Company creates adjustments to receivables and other assets except for investments reported at fair value. Adjustments represent a temporary decrease in value of individual assets. The amount of the decrease is de-

termined with the help of a professional risk assessment carried out by the management of the Company.

Adjustments to receivables from policyholders are established based on an analysis of their recoverability. Adjustments are created inclusively based on ageing analysis of the receivables.

Adjustments to bonds held to maturity are accounted for only if there is a risk that the notional principal amount of the bond, the bond yield or both the value and the yield would not be repaid.

#### (e) Impairment of assets

At the balance sheet date, the Company assesses whether those assets, which are not carried at fair value into profit or loss are impaired. The impairment of an asset is recognised in the income statement.

#### (f) Deferred acquisition costs

Deferred acquisition costs of insurance contracts represent the proportion of the acquisition costs incurred in concluding or amending insurance contracts in the current financial year that relates to the revenues of subsequent financial years.

At the end of each reporting period, the Company carries out a liability adequacy test to determine whether the amount of the deferred acquisition costs is appropriate based on an insurance adequacy test for non-life insurance, and establishing a provision to settle liabilities based on the technical interest rate for life assurance.

#### Non-life insurance

In respect of non-life insurance, deferred acquisition costs are based on total acquisition costs incurred in the current period and the ratio of the gross provision for unearned premiums at the balance sheet date to the total gross premiums written for the financial year.

In respect of acquisition costs to which the intermediary guarantee applies, the amount of deferred acquisition costs is based on the total cost of acquisition of insurance contracts concluded before the end of the reporting period, and calculated based on the ratio of the period until the end of the end of guarantee to the total period of intermediary's guarantee, or based on the remaining time until the end of the average period of insurance contracts' duration.

**Life assurance**

In life assurance, the Company determines deferred acquisition costs using different actuarial methods depending on the insurance type and structure and on the method selected for determining the amount of life assurance provision, or the life assurance provision where the policyholders bear the investment risk. On majority of the portfolio, the following methods are applied:

For life assurance with intermediary's guarantee, deferred acquisition costs are determined in the same way as for non-life insurance with intermediary guarantee.

For unit-linked assurance, where the fees for acquisition cost payments are detracted during the first years of the insurance directly from the paid premiums or from the policyholder's account (insurance capital value), the amount of deferred acquisition costs is determined by direct calculation of the current value of future acquisition cost fees.

**(g) Accumulated debt**

Accumulated debt arises primarily in unit-linked assurance contracts, when the insurance capital value is not sufficient to cover the fees for insurance risks, initial costs, cost of account management, and other insurance-related costs. Accumulated debt represents an aggregate of costs incurred by the Company in connection with unit-linked assurance contracts which have not been settled by the policyholders yet. Its book value is determined in respect of the expected recovery of the asset, which is carried out prospectively considering all relevant future cash flows and using careful estimates of lapse rate, losses, cost and other insurance agreements' parameters. A change of the accumulated debt from unit-linked assurance is charged to profit or loss.

**(h) Income tax**

Income tax on the profit for the year comprises current income tax and the change in deferred tax. Current income tax comprises the tax liability calculated from the tax base using the effective tax rate and any additional payments or refunds of tax for previous years.

Deferred tax is based on all temporary differences between the carrying and tax value of assets and liabilities, and other temporary differences (tax losses carried forward, if any), multiplied by the tax rate expected to be valid for the period in which the tax asset/liability is utilised.

A deferred tax asset is recognised only if there is no doubt that future taxable profits will be available against which this asset can be utilised.

On 1 January 2020, the Act No. 364/2019 Coll., on technical provisions taxation came into effect. Technical provisions for tax calculation purposes are defined in accordance with the Solvency II EU Directive, and their amount is provided in the Solvency and Financial Condition Report. Under the transitory provisions of this act, since 2020, the current period income tax has been calculated not only from the difference in the change of provisions pursuant to Solvency II and the Czech accounting standards for 2021, but further as half of the difference between the amount of adjusted provisions determined pursuant to the Solvency II directive and their amount pursuant to the accounting standards as at 1 January 2020. Since 2020, in connection with the new legislative regulation, a deferred tax asset has been calculated in respect of the different book and tax values of the technical provisions.

**(i) Provision for unearned premiums**

The provision for unearned premiums is established based on the individual life assurance and non-life insurance contracts from a part of gross premiums written which is to be allocated to subsequent financial years. The Company uses the „pro rata temporis“ method to estimate this provision.

**(j) Life assurance provision**

The life assurance provision is established based on the individual life assurance contracts. The life assurance provision represents the value of future liabilities including profit shares declared and allocated, calculated using actuarial estimates after deducting the actuarial value of future premiums, which may reflect already provided premium rebates. To determine the amount of the provision, different actuarial methods are applied as appropriate for the specific type and structure of insurance. Any resulting negative values are replaced by zero.

The life assurance provision also includes a specific portion to cover the risks (2021: TCZK 45 000; 2020: TCZK 40 000) arising from the uncertainty which relates to the interpretation of the regulation related to the general trend of strengthening the rights and protection of consumers.

**(k) Provision for outstanding claims**

Provision for outstanding claims is not discounted to present value (with the exception of the provision for outstanding claims where claims payments are made in the form of annuities) and is intended to cover the liabilities resulting from claims:

- reported but not settled till the end of period (RBNS);
- incurred but not reported till the end of period (IBNR)

The amount of RBNS provision is determined as the sum of estimated costs on individual insurance settlements. The provision for outstanding claims is reduced by an estimate of the value of salvage and subrogation and similar recoveries. The Company establishes a provision for litigations in the full amount of the sum subject to the litigation.

The fair value of the IBNR provision is determined using actuarial and statistical methods.

For all insurance classes with the exception of motor third party liability insurance, the Company uses the Chain Ladder method based on the amount of claims paid. For motor third party liability insurance the provision is determined using the Monte Carlo simulation. The Monte Carlo simulation provides the opportunity to estimate the probability distribution of a liability, especially to predict the different security levels also in form of a split to the risk commencement years and underwriting years.

The provision for outstanding claims also includes an estimate of all expected external and internal claims handling costs.

On an annual basis, the board of directors reassesses the adequacy of the reliability level of the estimated provision for outstanding claims in respect of individual groups of insurance in accordance with the Company's accounting policies.

Due to the ongoing COVID-19 pandemic and the related increased uncertainty regarding the development of claims settlement, the safety margins for the occurrence of claims in the last 12 months were doubled in 2020. This measure has been implemented within the entire portfolio of non-life and life insurance and has continued in 2021. In addition, a specific security margin was created for travel agency bankruptcy insurance in 2020, and the management considers this margin to remain relevant in respect

of the current pandemic situation. It covers possible negative effects due to the risk of bankruptcy of insured travel agencies in relation to the government measures imposed. It reflects the volume of advances received from clients of travel agencies for trips that have not yet taken place.

**(l) Provision for bonuses and rebates**

The provision for bonuses and rebates is created in accordance with the respective terms set out in insurance contracts.

Changes in the provision for bonuses and rebates in the income statement are presented in Bonuses and rebates.

**(m) Provision for liabilities arising from the applied technical interest rate and other calculation parameters**

As at the balance sheet date, the Company calculates the value of the provision for liabilities arising from the applied technical interest rate and other calculation parameters to be able to determine a sufficient amount of life assurance provision so that the Company is able to meet its liabilities arising from concluded insurance contracts while simultaneously taking into account current estimates of the parameters when assessing the amount of liabilities accepted.

In determining the provision for liabilities arising from the applied technical interest rate and other calculation parameters, the current value of insurance liabilities is calculated (using the best estimate of the future development of input assumptions adjusted by a risk margin). To improve the financial basis and to mitigate any accounting discrepancies in the determination of the current value of liabilities, the not yet recorded revenues on held-to-maturity assets to cover life assurance provisions are taken into account. The Company compares the current value of insurance liabilities with the total sum of life assurance provisions, provisions for unearned premiums, life assurance provisions where the investment risk is borne by the policyholder, provisions for outstanding claims, non-life insurance provisions if established by the life assurance section of the Company, and provisions for bonuses and rebates (the total sum of the above provisions is below referred to as the „life assurance provisions“) reduced by the respective unamortised deferred acquisition costs and by the respective intangible assets (e.g. the accumulated debt). Where the current value of insurance liabili-

ties exceeds the amount of life assurance provision reduced by the respective outstanding acquisition costs and by the respective intangible assets, the provision for liabilities arising from the applied technical interest rate and other calculation parameters established by the Company will amount to the difference between the current value of insurance liabilities and the life assurance provision reduced by the respective outstanding acquisition costs and by the respective intangible assets.

The change in this provision is presented in note II.6.b) in the income statement.

### (n) Provision for the credit risk in respect of intermediaries

In light of an amendment to the Act on Insurance Intermediaries from 2016 introducing a five-year period during which intermediaries guarantee negotiated contracts with their commissions, a provision for the credit risk in respect of intermediaries has been established. The provision reflects the risk that unearned commissions will not be returned by insurance agents due to insolvency.

### (o) Life assurance technical provision where the investment risk is borne by the policyholders

The life assurance technical provision where the investment risk is borne by the policyholders is intended to cover the liabilities of the Company due to the policyholders and insured persons in those classes of life assurance where, based on an insurance contract, the investment risk is borne by the policyholders.

The amount of the provision is calculated as the sum of liabilities due to insured persons in the amount of their shares of invested premiums from individual life assurance contracts in accordance with the principles included in the insurance contracts.

When life assurance where the investment risk is borne by the policyholders also includes payment of a guaranteed amount, this liability is included within the life assurance provision.

### (p) Reinsurance share of technical provisions

Technical provisions are presented as a net liability, i.e., after deduction of the reinsurance share. The amount of this share is calculated based on the terms of the related reinsurance contracts, the method of settlement with reinsurers and in consideration of the prudence principle.

The Company presents the reinsurance share of the provision for unearned premiums, the provision for outstanding claims and the provision for bonuses and rebates. The reinsurer does not participate in the other technical provisions.

### (q) Provisions

Provisions are intended to cover payables or expenses, which are clearly defined and the occurrence of which is either probable or certain but whose amount or timing are uncertain.

#### Provision for taxes

The provision for taxes is created at the balance sheet date and amounts to the estimated corporate income tax liability due. The use (release) of the provision is accounted for when the tax return is filed. The Company reduces the provision for taxes by income tax prepayments. The balance is presented in Tax provisions (note II.9 of the Notes) in Other receivables in case the income tax prepayments exceed the expected current tax (note II.3 of the Notes).

#### Provision for employee benefits

At the balance sheet date, the provision includes the earned part of employee benefits which are due to employees because of their leaving. The applied actuarial methods include valorisation according to the expected increase in wages and the probability of survival and leaving a function. A risk-free interest rate adjusted by market value margins is used for discounting.

#### Provision for cyber risk

The provision was established due to an increased risk of targeted cyber-attacks the Company presently faces. Based on an analysis of risk scenarios, a cumulative expected annual impact was calculated using the probability of risk to the Company, risk frequency, and the best estimate of total costs necessary to remove possible damages. The Company will annually assess the adequacy of this provision in future periods.

### (r) Gross premiums written

Gross premiums written comprise all amounts written for the insurance period as at the date of the commencement of insurance coverage (in case of unit-linked assurance also paid amounts) based on insurance contracts during the financial year regardless of whether such amounts may relate in whole or in part to future financial years.

### (s) Claims paid

Claims paid comprise the amount assessed for payment based on the claims investigation process and claims handling costs. Claims paid are reduced by the salvage value and other recoveries.

Claims paid are recorded upon completion of the investigation of the claim and in the amount of the assessed settlement.

### (t) Acquisition costs

Acquisition costs comprise all commissions and other direct and indirect costs arising from the conclusion of insurance contracts.

### (u) Personnel expenses, supplementary pension insurance and social fund

The Company makes contributions to the defined contribution pension plans and to the endowment insurance of its employees. These contributions are recognised directly in personnel expenses. The Company creates a social fund to cover the social needs of its employees and the employee programme. In compliance with Czech accounting legislation, the allocation to the social fund is not recognised in the income stated but as profit distribution. The funds drawn from the social fund are not recognised in the income statement but as a decrease in the fund. The social fund forms an integral part of equity and is not recognised as a liability.

### (v) Loss prevention fund

Under Section 23a (2) of the amendment to Act No. 168/1999 Coll., on Liability Insurance for Losses Caused by the Operation of a Motor Vehicle, which came into effect on 1 January 2015, the insurance company is obliged to pay at least 3% of annual premiums collected for motor third-party liability insurance for each calendar year to a Loss Prevention Fund.

### (w) Allocation of items between life assurance and non-life insurance

In order to account for items common to both life assurance and non-life insurance, the Company uses a method in compliance with Decree No. 502/2002 Coll. Under this method, individual items are grouped according to the class of insurance to which they relate. For items that cannot be allocated directly, the Company uses the allocation ratio based on an internal cost analysis of individual groups of costs of life assurance and non-life insurance.

#### Expenses and income from investments

Expenses and income from investments, which are directly related to life assurance activities, are recorded in the technical account for life assurance.

Other expenses and income from investments, which are not related to life assurance activities, are recorded in the non-technical account and the result is subsequently transferred to the non-life insurance technical account.

#### Other expenses and income

During the accounting period, clearly attributable expenses and income are accounted for directly in the technical account for life assurance or non-life insurance or the non-technical account. Expenses and revenues that cannot be clearly attributed are allocated to the technical accounts for life assurance and non-life insurance based on the ratio described above.

Taxes, fees and other expenses that are not directly connected with insurance and reinsurance are not allocated in this manner but are reported in the non-technical account.

### (x) Foreign currency translation

Transactions during the year are recorded at the CNB rate effective on the transaction date or at the rate at which the transaction was realised.

At the balance sheet date, foreign currency assets and liabilities are translated at the CNB official rate on that date. Unless stated otherwise, foreign currency gains and losses are recorded in Company's income statement.

## (y) Consolidation

Pursuant to Section 38 of Decree No. 502/2002 Coll., the financial statements of the Company have been included in the consolidated financial statements of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, with its registered office in Austria, prepared in compliance with International Financial Reporting Standards. The consolidated financial statements of the parent company will be published in accordance with Sections 22aa, par. 2c) and 21a of the Act on Accounting.

## I. 5. Change in accounting policies and procedures and correction of prior period errors

In 2021, the Company did not make any change in accounting policies and procedures, and did not apply any deviations from these policies and procedures in the reporting period, and did not perform any correction of prior period errors.

## I. 6. Risk Management

The financial condition and operating results of the Company are affected by a number of key risks, namely, market risk, credit risk, liquidity risk, insurance risk, operational risk, and compliance risk. Risk management complies with relevant legislation under the Solvency II directive.

In relation to the first pillar of Solvency II directive, the regulatory authority has set a solvency capital requirement ("SCR") in the interest of the policyholders in order to guarantee the Company's ability to cover future insurance settlements. To calculate SCR, the Company uses partial internal model for non-life underwriting risks. Throughout the year, eligible own funds to cover SCR exceeded the solvency capital requirement and was above the framework set for the Company's risk appetite.

The risk is managed by setting up internal procedures and policies, as described below. For more details on solvency and risk management, see the Solvency and Financial Condition Report (SFCR), regularly published by the Company on its website.

### (a) Strategy for using financial instruments

The nature of the Company's business activities includes controlled acceptance of risks from underwritten insurance contracts which include financial guarantees and contingent liabilities. In order to mitigate the risks arising from a failure to meet the above guarantees and contingent liabilities, the Company purchases financial instruments corresponding approximately to the expected insurance settlements, their nature and timing.

The investment portfolio structure is governed by the nature of insurance liabilities, the expected rate of return on each asset group and the callable capital used to recognise each asset group's price movements.

The Company also uses financial instruments to mitigate currency and interest rate risks.

### (b) Market risk

The Company is exposed to market risk. Market risk follows from trading positions in interest rates, currencies and equity instruments that are all exposed to common and specific changes in the market and from changes in the level of volatility of market rates or prices, such as interest rates, foreign exchange rates and equity prices. The board of directors sets the strategy for the portfolio characteristics and the limits on the level of risk that may be accepted, monitored on a daily basis. The portfolio is managed under the prudent investment principle in accordance with Czech insurance legislation in force. Investment limits are set for the individual types of financial investments while respecting the counterparty risk. VaR models are used to monitor investment portfolio risks as well.

Using this approach does not prevent losses above these limits due to more significant market movements. As for unit-linked assurance assets, the market risk is borne exclusively by the policyholder.

### (c) Interest rate risk

The Company's financial position and cash flows are exposed to the risk of effects of fluctuations in the prevailing levels of market interest rates. Income from investments may both grow and decrease as a result of these fluctuations. As a part of its investment strategy, the Company

insulates itself from possible losses by preventing the rate of return on investments to drop below the level of the technical interest rate. Based on methods stemming from cash flow analysis, the Company prepares portfolios of securities so that their value and structure preferably correspond with the value and structure of liabilities.

### (d) Currency risk

The Company's assets and liabilities are denominated primarily in the domestic currency. The Company provides for the net exposure to the currency risk to be within acceptable limits. The Company also uses financial derivatives to hedge against the currency risk.

### (e) Credit risk

The Company is exposed to credit risk arising from the counterparty failing to pay the amounts due in full.

Commercial and personal insurance is written primarily through intermediaries. Intermediaries are subject to rigorous monthly checks of information on unearned commissions in order to mitigate part of the credit risk associated with the intermediaries' involvement in the underwriting process.

The Company uses reinsurance in managing insurance risk. However, this does not release the Company from its responsibility of the initial insurer. If the reinsurer does not for any reason pay the insurance settlement, the Company has to pay it itself. The Company periodically monitors the creditworthiness of the individual reinsurers. Reinsurers are selected from an internal list, which is issued and regularly updated by a special working group on VIG level. The Company determines the maximum acceptable cession limits for individual reinsurers based on the type of insurance and type of the reinsurance contract.

Reinsurers are split into two basic groups by the type of reinsured business. For each of the groups, the mandatory condition for the reinsurers to be included in the group is their listing in the valuation list published by reputable rating agencies with at least the minimum required rating level. Participation of reinsurers not included in the list can be exceptionally approved by the above-mentioned working group or by the management of the Company, depending on the importance of the relevant case.

In choosing the structure of investments, the Company assesses the counterparty credit rating or issuer credit rating. The rating is regularly reassessed. The Company sets maximum limits for individual types of financial instruments and counterparties.

The Company monitors regularly, i.e., on monthly basis, the level of receivables from outstanding premiums.

### (f) Liquidity risk

The Company is exposed to requirements for drawing its available funds on a daily basis. These requirements relate to insurance settlements, commissions, lapsed policies, and surrender. The liquidity risk is a risk that the cash necessary for payment of liabilities will not be available at the due date and at adequate cost.

The Company thus maintains a sufficient portion of its investment in liquid and secure financial instruments, which are used to cover insurance settlements, commissions, payments from lapsed policies, and surrenders. Minimum liquidity limits are set to manage this risk.

The Company evaluates its cash flows on daily basis and performs analyses at regular weekly meetings.

### (g) Insurance risk

Insurance risk is the possibility that the insured event occurs and the uncertainty of the amount of the resulting insurance settlement. Insurance risks comprise the following risks:

- risk of occurrence – the probability that the number of claims will differ from the original estimate;
- risk of estimate accuracy – the probability that the amount of insurance settlement will differ from the original estimate;
- risk of provisions/timing – the probability that changes may occur in the amount of the insurer's obligation at the end of the insurance period.

The Company manages insurance risks in particular by:

- mitigating the risk through reinsurance as regards the Company's exposure to the risk of individual large claims and catastrophes;

- using management information systems that provide up to date, reliable data on the risks to which the Company is exposed;
- applying a prudent underwriting policy;
- creating proper provisions, including regular checks of adequacy of technical provisions.

The Company's ceded reinsurance programme consists mainly of proportionate reinsurance (quota/ surplus reinsurance) combined with excess of loss reinsurance.

### (h) Operational risk

Operational risk means a risk of loss due to insufficiency or failure of internal processes, employees and systems, or due to external effect. The Company categorises its operational risks into groups by characteristics and each operational risk group comprises specific risks assessed as follows:

Operational risk groups comprise:

- Internal fraud
- External fraud
- Human resources management and care
- Unsuitable behaviour towards clients, product errors, incorrect business processes
- Tangible assets damage, premises inaccessibility
- Business disruption, system failure
- Process performance or management failure

Operational risk is evaluated in two ways. Firstly, by quantification through SCR calculated from standard formula – i.e., from the amount of technical provisions and prescribed premium. Secondly, by qualitative assessment through processional approach, risk mapping and evaluation of the control environment within which the risk owners of all divisions identify the risks their divisions are exposed to. The employees assess the effects of the risks and determine adequate measures, including control mechanisms aimed at mitigating these risks. The output is the risk and control matrix (RCM). All organisational units including regional directorates are included in the operational risk mapping process.

The Company also specifically manages residual risks from important projects (i.e., risks that are further evaluated and managed by specific owners). Risk mapping output, risk mapping and residual risk action plans' implementation helps to monitor the risk profile in operational risk. The division of non-financial risks of Kooperativa pojišťovna, a.s., Vienna Insurance Group operating under shared services regime<sup>1</sup> methodically manages first line protection departments, carries out independent control in the second line protection and reports through the Risk and capital management committee about the situation of operational risk management in the Company and proposes other operational risk solutions to the board of directors.

### (i) Compliance risk

Compliance risk is the risk of legal and regulatory sanctions (including the insurance company's criminal liability), financial loss or the loss of reputation that the Company may suffer as a result of non-compliance with statutory and regulatory requirements, rules relating to the Code of the Company, the VIG group and the Code of Ethics of the Czech Insurance Association. Compliance risk is a subcategory of operational risk.

Systematic management of compliance risk is one of the Company's basic obligations.

Compliance risk management is assured by building a management and control environment that will guarantee:

- monitoring of legal and regulatory changes;
- reflecting legal and regulatory changes in the Company's internal management documents;
- subsequent review of the compliance of performed activities with internal management documents and legislation;
- monitoring mutual compliance of internal management documents;
- identification, measuring, evaluation, monitoring and reporting of compliance risks, and adopting measures to remove or mitigate these risks.

The Compliance department of Kooperativa pojišťovna, a.s., Vienna Insurance Group operating under shared services regime monitors any upcoming legislation (new legislation, changes in current legislation) on an ongoing basis, as well as case law, including regulatory requirements of the supervisory authorities, and evaluates their impact on the Company's activity. For this purpose, the Compliance department publishes Legal news.

In accordance with the group's compliance standards, the following reports are regularly presented to the VIG Group Compliance:

- Compliance Report (summarising compliance activities for the previous calendar year);
- Compliance plan (summarising compliance planned activities for the following year);
- Compliance Risk Analysis Report (summarising the results of the compliance risk mapping for the current year).

<sup>1</sup> The cooperation is based on the contract on expenses sharing concluded between Kooperativa pojišťovna, a.s., Vienna Insurance Group and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group.

## II. ADDITIONAL DISCLOSURES IN RESPECT OF THE BALANCE SHEET

### II. 1. Intangible fixed assets

As at 31 December 2021, intangible fixed assets of the Company comprise the following items:

	Software	Other intangible fixed assets	Total
Acquisition cost at 1 Jan 2021	532 949	4 377	537 326
Additions	93 543	611	94 154
Disposals	32 193	137	32 330
<b>Acquisition cost at 31 Dec 2021</b>	<b>594 299</b>	<b>4 851</b>	<b>599 150</b>
Accumulated amortisation at 1 Jan 2021	383 643	1 617	385 260
Write-offs	60 050	1 940	61 990
Disposals	-2 753	-358	-3 111
<b>Accumulated amortisation at 31 Dec 2021</b>	<b>440 940</b>	<b>3 199</b>	<b>444 139</b>
Net book value at 1 Jan 2021	149 306	2 760	152 066
<b>Net book value at 31 December 2021</b>	<b>153 359</b>	<b>1 652</b>	<b>155 011</b>

### II. 2. Investments

#### (a) Land and buildings

The amounts stated in this section comprise improvements to third-party property as at 31 December 2021, amounting to TCZK 5 009 (2020: TCZK 5 147).

#### (b) Participating interests with controlling influence

2021

Company name	Share of registered capital in %	Carrying amount	Acquisition cost	Fair value	Total registered capital	Total equity	Profit (loss) for the period
Participating interests with controlling influence							
ČPP Servis, s.r.o.**	100	29 300	29 300	48 879	300	48 879	4 973
VIG ND, a.s.**	11.71	278 386	302 006	276 426	2 391 000	2 360 482	16 157
AIS servis, s.r.o.**	30	51 405	51 405	20 295	7 400	67 651	7 170
VIG FUND, a.s.*	0.60	38 727	40 510	42 575	5 697	6 822 976	344 389
Global Expert, s.r.o.	30	88 292	88 292	92 877	200	309 591	25 092
<b>Total</b>		<b>486 110</b>	<b>511 513</b>	<b>481 052</b>	<b>2 404 597</b>	<b>9 609 579</b>	<b>397 781</b>

\* the Company has the fair value of the interest which is stated in the Fair value field instead of the interest in the equity of the controlled entity.

\*\* the data is based on non-audited financial statements.

The data in the Fair value column represent the Company's interest in the total equity of the controlled entity (NAV). Participating interests with controlling influence are held by the Company primarily for strategic reasons and the holding is not motivated by an attempt to realise profit from market value fluctuations.

All companies have their registered office in Prague, excepting Global Expert, s.r.o., with registered office in Pardubice, and AIS servis, s.r.o., with registered office in Brno.

In 2021, ČPP invested a monetary contribution outside the registered capital of TCZK 83 160 into the equity of Global Expert, s.r.o. to fund the purchase of AUTONOVA BRNO s.r.o., a new subsidiary of Global Expert, s.r.o., by Global Repair Centres, s.r.o.

The above-mentioned companies in which the Company holds a share of registered capital not exceeding 50% are considered controlled entities as they act in concert with the other companies from the VIG group.

2020

Company name	Share of registered capital in %	Carrying amount	Acquisition cost	Fair value	Total registered capital	Total equity	Profit (loss) for the period
Participating interests with controlling influence							
ČPP Servis, s.r.o.	100	29 300	29 300	42 192	300	42 192	1 245
VIG ND, a.s.*	11.71	278 386	302 006	278 316	2 391 000	2 376 623	32 298
AIS servis, s.r.o.	30	51 404	51 404	18 770	7 400	62 568	2 663
VIG FUND, a.s.*	0.60	40 886	40 510	43 683	5 003	6 089 260	183 269
Global Expert, s.r.o.	30	5 132	5 132	3 628	200	12 092	5 742
<b>Total</b>		<b>405 108</b>	<b>428 352</b>	<b>386 589</b>	<b>2 403 903</b>	<b>8 582 735</b>	<b>225 217</b>

\* the Company has the fair value of the interest which is stated in the Fair value field instead of the interest in the equity of the controlled entity

The data in the Fair value column represent the Company's interest in the total equity of the controlled entity. Participating interests with controlling influence are held by the Company primarily for strategic reasons and the holding is not motivated by an attempt to realise profit from the growth of fair value.

All companies have their registered office in Prague, excepting Global Expert, s.r.o., with registered office in Pardubice, and AIS servis, s.r.o., with registered office in Brno.

In 2020, ČPP invested a monetary contribution outside the registered capital of TCZK 29 into the equity of ČPP Servis, s.r.o.

The above-mentioned companies in which the Company holds a share of registered capital not exceeding 50% are considered controlled entities as they act in concert with the other companies from the VIG group.

#### (c) Shares and other variable-yield securities

Classification of shares and other variable-yield securities, other participating interests

	2021	2020
Shares and other variable-yield securities at fair value through profit or loss	136 232	94 061
Available-for-sale shares and other variable-yield securities	896 980	670 207
<b>Total</b>	<b>1 033 212</b>	<b>764 268</b>

## Analysis of shares and other variable-yield securities at fair value through profit or loss

	Fair value		Acquisition cost	
	2021	2020	2021	2020
<b>Other</b>				
- Listed on a recognised exchange in the Czech Republic	0	0	0	0
- Unlisted	136 232	94 061	120 344	83 913
<b>Total</b>	<b>136 232</b>	<b>94 061</b>	<b>120 344</b>	<b>83 913</b>

## Analysis of available-for-sale shares and other variable-yield securities

	Fair value		Acquisition cost	
	2021	2020	2021	2020
<b>Issued by financial institutions</b>				
- Listed on a recognised exchange in the Czech Republic	36 044	25 720	19 446	19 446
- Listed elsewhere	49 030	32 668	18 872	18 872
- Unlisted	42 039	55 727	28 487	33 885
<b>Other</b>				
- Listed on a recognised exchange in the Czech Republic	28 206	21 402	18 934	18 934
- Listed elsewhere	200 853	191 695	199 501	191 184
- Unlisted	540 808	342 995	433 792	274 717
<b>Total</b>	<b>896 980</b>	<b>670 207</b>	<b>719 032</b>	<b>557 038</b>

## (d) Debt securities

## Classification of debt securities

	2021	2020
Available-for-sale debt securities	6 239 847	5 330 730
Debt securities held to maturity	4 737 628	4 806 682
<b>Total</b>	<b>10 977 475</b>	<b>10 137 412</b>

## Analysis of available-for-sale debt securities

	Fair value		Acquisition cost	
	2021	2020	2021	2020
<b>Issued by financial institutions</b>				
- Listed on a recognised exchange in the Czech Republic	256 897	239 608	255 378	225 000
- Listed elsewhere	494 821*	521 842*	501 924	565 364
<b>Issued by government sector</b>				
- Listed on a recognised exchange in the Czech Republic	4 829 560	3 857 457	5 027 627	3 715 837
- Listed elsewhere	196 353	109 416	201 173	113 713
<b>Other</b>				
- Listed on a recognised exchange in the Czech Republic	269 015	174 013	276 169	171 881
- Listed elsewhere	170 672	308 764	174 184	301 118
- Unlisted	22 529	119 630	22 203	118 465
<b>Total</b>	<b>6 239 847</b>	<b>5 330 730</b>	<b>6 458 658</b>	<b>5 211 378</b>

\* With regard to the due date of the debt security which was impaired in 2020, the principal and adjustment were reported under Other receivables (note II.3b) in 2021.

## Analysis of debt securities held to maturity

	Fair value		Amortised value		Acquisition cost	
	2021	2020	2021	2020	2021	2020
<b>Issued by financial institutions</b>						
- Listed on a recognised exchange in the Czech Republic	411 772	468 686	442 155	451 905	499 881	499 881
- Listed elsewhere	30 828	86 226	30 144	81 033	30 001	79 955
<b>Issued by government sector</b>						
- Listed on a recognised exchange in the Czech Republic	4 080 770	4 609 643	4 213 829	4 222 245	4 223 232	4 223 232
<b>Other</b>						
- Listed elsewhere	52 288	53 134	51 500	51 499	49 973	49 973
<b>Total securities held to maturity</b>	<b>4 575 658</b>	<b>5 217 689</b>	<b>4 737 628</b>	<b>4 806 682</b>	<b>4 803 087</b>	<b>4 853 041</b>



## (e) Debt securities issued by entities in which the accounting entity holds a controlling or significant influence and loans and credits provided to these entities

	Fair value		Amortised value		Acquisition cost	
	2021	2020	2021	2020	2021	2020
Loans granted (controlled entities)	3 253	6 651	3 306	6 528	3 278	6 474
<b>Total</b>	<b>3 253</b>	<b>6 651</b>	<b>3 306</b>	<b>6 528</b>	<b>3 278</b>	<b>6 474</b>

## (f) Deposits with financial institutions and other loans and credits

	Fair value		Acquisition cost	
	2021	2020	2021	2020
Deposits	0	0	0	0
Other loans and credits	0	1 069 972	0	1 069 972
<b>Total</b>	<b>0</b>	<b>1 069 972</b>	<b>0</b>	<b>1 069 972</b>

In 2020, other loans and credits comprised reverse repurchase transactions of TCZK 1 068 000.

## (g) Fair value of investments for the benefit of life assurance policyholders who bear the investment risk

	Acquisition cost		Fair value	
	2021	2020	2021	2020
Shares and other variable-yield securities	1 843 968	1 784 641	2 620 476	2 257 321
<b>Total</b>	<b>1 843 968</b>	<b>1 784 641</b>	<b>2 620 476</b>	<b>2 257 321</b>

## (h) Other investments - derivatives

## Hedging derivatives

Fixed term contracts	Nominal value		Fair value	
	2021	2020	2021	2020
Term currency transactions	446 740	461 062	13 821	8 017
<b>Total</b>	<b>446 740</b>	<b>461 062</b>	<b>13 821</b>	<b>8 017</b>

The above derivatives hedge the currency risk resulting from foreign currency instruments in investments.

All the above financial instruments were concluded at the interbank market (OTC). The Company records the nominal value of a derivative as an off-balance sheet item. A change in the fair value of a derivative is recognised in the income statement.

All derivatives utilised by the Company are foreign exchange derivatives and the change in their fair value results from the development of the interest rate differential and the USD/CZK and EUR/CZK exchange rates over the period between the conclusion of the foreign exchange hedge and its revaluation at the end of the relevant accounting period.

## (i) Currency structure of investments

2021	Variable-yield securities	Debt securities	Deposits and other investments	Life assurance investments where the investment risk is borne by the policyholders	Total
CZK	694 777	10 763 647	455 698	2 270 446	14 184 568
EUR	115 325	207 021	45 070	350 030	717 446
USD	223 110	0	7 478	0	230 588
PLN	0	6 807	0	0	6 807
<b>Total</b>	<b>1 033 212</b>	<b>10 977 475</b>	<b>508 246</b>	<b>2 620 476</b>	<b>15 139 409</b>

2020	Variable-yield securities	Debt securities	Deposits and other investments	Life assurance investments where the investment risk is borne by the policyholders	Total
CZK	522 459	9 839 814	1 445 869	1 947 724	13 755 866
EUR	119 344	290 544	45 805	309 597	765 290
USD	122 465	0	3 098	0	125 563
PLN	0	7 054	0	0	7 054
<b>Total</b>	<b>764 268</b>	<b>10 137 412</b>	<b>1 494 772</b>	<b>2 257 321</b>	<b>14 653 773</b>

## II. 3. Receivables and payables

### (a) Receivables

31 December 2021	Receivables from policyholders	Receivables from insurance intermediaries	Receivables from reinsurance operations	Other receivables	Total
Due	96 862	40 846	32 524	978 162	1 148 394
Overdue	707 607	92 330	11 176	59 909	871 022
Total	804 469	133 176	43 700	1 038 071	2 019 416
Adjustment	210 881	88 426	0	53 166	352 473
<b>Total net amount</b>	<b>593 588</b>	<b>44 750</b>	<b>43 700</b>	<b>984 905</b>	<b>1 666 943</b>

31 December 2020	Receivables from policyholders	Receivables from insurance intermediaries	Receivables from reinsurance operations	Other receivables	Total
Due	32 703	14 300	12 523	682 925	742 451
Overdue	738 822	93 215	4 562	8 212	844 811
Total	771 525	107 515	17 085	691 137	1 587 262
Adjustment	225 197	92 557	0	698	318 452
<b>Total net amount</b>	<b>546 328</b>	<b>14 958</b>	<b>17 085</b>	<b>690 439</b>	<b>1 268 810</b>

### (b) Other receivables

	2021		2020	
	Gross amount	Adjustments	Gross amount	Adjustments
Other prepayments	28 381	0	84 375	0
Deferred tax asset	946 995	0	565 212	0
Pre-paid AFS tax	5 421	0	6 162	0
2021 income tax prepayments paid in 2020	0	0	30 081	0
Loans to employees	980	0	681	0
Czech Nuclear Pool	2 200	0	2 956	0
Other receivables	54 094*	53 166*	1 670	698
<b>Total</b>	<b>1 038 071</b>	<b>53 166</b>	<b>691 137</b>	<b>698</b>

\* here is reported a receivable in respect of outstanding realised debt security including a 100% adjustment of TCZK 52 500.

Corporate income tax prepayments related to the 2021 tax liability of TCZK 386 874 (2020: TCZK 377 019) were offset to income tax provision of TCZK 511 229 (2020: TCZK 722 532). The net balance is reported under Tax provision (note II.9 of the notes to the financial statements). The item Income tax prepayments comprises income tax prepayments paid in 2020 in respect of the 2021 tax liability.

### (c) Liabilities

31 December 2021	Payables to policyholders	Payables to insurance intermediaries	Payables from reinsurance operations	Other payables	Total
Due	453 576	11 870	50 584	195 323	711 353

31 December 2020	Payables to policyholders	Payables to insurance intermediaries	Payables from reinsurance operations	Other payables	Total
Due	414 493	4 695	40 809	166 744	626 741

The residual maturity of all liabilities is less than 5 years.

### (d) Payables and receivables due to or from the reinsurer

The Company has a net payable from reinsurers, excluding reinsurance deposits, of TCZK 6 884 (2020: a net payable of TCZK 23 724).

## II. 4. Inter-company receivables and payables

	2021	2020
<b>Receivables</b>		
Receivables from reinsurance operations	3 363 309	2 951 076
Other receivables	26 212	27 095
<b>Total receivables</b>	<b>3 389 521</b>	<b>2 978 171</b>
<b>Liabilities</b>		
Payables from reinsurance operations	2 706 574	2 435 809
Other payables	371 244	225 071
<b>Total liabilities</b>	<b>3 077 818</b>	<b>2 660 880</b>

Receivables from reinsurance operations include reinsurance assets of TCZK 3 315 072 (2020: TCZK 2 928 331). Payables from reinsurance operations include a reinsurance deposit of TCZK 2 604 488 (2020: TCZK 2 380 980).

## II. 5. Tangible fixed assets and inventories

	<b>Total</b>
Acquisition cost at 1 Jan 2021	160 228
Additions	10 570
Disposals	12 917
<b>Acquisition cost at 31 December 2021</b>	<b>157 881</b>
Accumulated amortisation at 1 Jan 2021	127 757
Write-offs	14 348
Disposals	-12 718
<b>Accumulated amortisation at 31 Dec 2021</b>	<b>129 387</b>
Net book value at 1 Jan 2021	32 471
<b>Net book value at 31 December 2021</b>	<b>28 494</b>

## II. 6. Temporary asset or liability accounts

### (a) Other temporary asset accounts

	<b>2021</b>	<b>2020</b>
Estimated premiums	73 522	67 737
Estimated receivables arising from reinsurance operations	51 210	65 428
Estimated receivables – service agreements	444 706	326 979
Prepaid services	88 130	56 668
Accumulated debt*	94 406	0
<b>Total</b>	<b>751 974</b>	<b>516 812</b>

\* The annual updating of the value of the capitalisation percentage in accordance with the methodology and related to the portfolio development and other calculation parameters resulted in accumulated debt capitalisation (in previous years, the capitalisation percentage was zero).

#### Estimated premiums

Estimated receivables comprise estimated written premiums, including an estimate of the lapse rate, where the settlement with intermediaries is carried out retrospectively, i.e., for the previous month.

#### Estimated receivables arising from reinsurance operations

Under estimated receivables arising from reinsurance operations, the Company discloses an estimate of the appropriate profit commission from the reinsurers' share related to the estimate of the written premiums disclose.

#### Estimated receivables resulting from service agreements

Estimated receivables resulting from service agreements comprise the estimated impact of the results of service agreements at the given moment of time, depending on the recognition of the other items relating to these agreements.

### (b) Estimated payables

	<b>2021</b>	<b>2020</b>
Estimated payables arising from reinsurance operations	123 113	86 457
Accrued commission	333 166	283 237
Services not invoiced	96 185	76 805
Accruals in respect of personnel expenses	165 310	145 409
Service agreement bonification	69 846	57 326
Other estimated payables	20 778	20 582
<b>Total</b>	<b>808 398</b>	<b>669 816</b>

#### Estimated payables arising from reinsurance operations

Payables that have not been reconciled with reinsurers and payables arising from facultative reinsurance that have not been reconciled with insurers for the fourth quarter are reported in estimated payables arising from reinsurance operations.

#### Accrued commission

The Company discloses as Accrued commission the expected amount of commissions relating to premiums written in the current accounting period where the insurance intermediary's right to receive the commission is dependent on meeting additional specific criteria.

#### Accruals in respect of personnel expenses

As the business targets and results of the Company were significantly exceeded in 2021, accruals in respect of personnel expenses were adjusted accordingly.

The accruals are intended as bonuses for exceeding business results and the Company management uses them as financial reward of employees for performance achieved. This reward is used as a motivation tool for employees, leading to achieving new targets according to the Company's aims.

#### Services not invoiced

Under Services not invoiced, the Company discloses the expected amount of payables that have not yet been invoiced.

## II. 7. Registered capital

The registered capital comprises 10 000 registered ordinary shares in book-entry form with a nominal value of TCZK 100. As at 31 December 2021, 100%, i.e., TCZK 1 000 000 (2020: TCZK 1 000 000) of the registered capital was paid up.

The amount of the Company's registered capital meets the requirements of the Insurance Act, with regard to the insurance classes in which the Company is authorised to carry on insurance activities.

### (a) Other capital funds

Other capital funds comprised the revaluation of assets and liabilities at fair value

	2021	2020
Balance at 1 January	231 604	135 095
Change in the fair value of investments	-337 668	119 147
Change in deferred tax	64 157	-22 638
<b>Balance at 31 December</b>	<b>-41 907</b>	<b>231 604</b>

### (b) Proposed distribution of current period profit

Profit for the current period	776 455
Transfer to social fund	25 000
Payment of profit shares	638 737
<b>Retained earnings</b>	<b>112 718</b>

The proposed distribution of profit is subject to the approval of the general meeting.

## II. 8. Technical provisions

### (a) Provision for unearned premiums (gross)

	2021	2020
Non-life insurance	3 675 128	3 264 134
Life assurance	18 909	11 989
<b>Total</b>	<b>3 694 037</b>	<b>3 276 123</b>

### (b) Provision for outstanding claims (gross amount)

The provision for outstanding claims at the end of the financial year can be analysed as follows:

	2021	2020
RBNS	5 376 047	4 543 022
IBNR	1 780 681	1 716 746
<b>Total</b>	<b>7 156 728</b>	<b>6 259 768</b>

### Claims run-off result

The claims run-off result is the difference between the provision for outstanding claims as at 31 December 2020, the claims payments during 2021 (with respect to claims included within this provision) and the residual amount of this provision as at 31 December 2021.

The gross run-off result is as follows:

Class of insurance	2021	2020
Motor third-party liability insurance	294 436	65 763
Motor – other classes	144 152	53 317
Property insurance against fire and other damage	12 182	18 967
Liability insurance	68 351	65 246
Accident and sickness insurance – non-life insurance	890	-2 331
Life assurance	42 594	62 952
Other	49 242	74 466
<b>Total</b>	<b>611 847</b>	<b>338 380</b>

### Provision for outstanding claims in the form of annuities

The gross provision for outstanding claims from motor third party liability insurance paid in the form of annuities arising from reported claims after discounting is TCZK 868 501 (2020: TCZK 905 854); the impact of discounting is TCZK 344 197 (2020: TCZK 234 562) and it is carried out only in respect of these liabilities.

The Company used a wage valorisation rate and a disability pension valorisation rate according to the Bureau methodology as at 1 June 2021, to calculate the provision for outstanding claims paid in the form of annuities in respect of liability insurance/statutory motor third party liability insurance for the subsequent years. The provision was further discounted at 1.5% (2020: 1%). The method and criteria used to estimate the remaining period for payment of the annuities are based on the currently valid Calculation tool for provisioning for annuities provided by the Czech Bureau of Insurers.

## (c) Provision for bonuses and rebates (gross)

Class of insurance	2021	2020
Non-life insurance	93 479	69 098
Life assurance	816 838	698 201
<b>Total</b>	<b>910 317</b>	<b>767 299</b>

## (d) Other technical provisions (gross)

	Opening balance	Additions	Utilisation	Closing balance
Non-life insurance provision	7 532	11 848	0	19 380
Provision for credit risk	67 416	0	17 851	49 565
<b>Total</b>	<b>74 948</b>	<b>11 848</b>	<b>17 851</b>	<b>68 945</b>

## II. 9. Provisions

Type of provision	Opening balance	Additions	Utilisation	Closing balance
Provision for taxes	345 513	0	221 158	124 355
Provision for employee benefits	40 137	0	4 103	36 034
Provision for cyber risks	0	85 000	0	85 000
Other provisions	6 751	0	6 751	0
<b>Total</b>	<b>392 401</b>	<b>85 000</b>	<b>232 012</b>	<b>245 389</b>

Corporate income tax prepayments of TCZK 386 874 (2020: TCZK 377 019) were offset against corporate income tax provision of TCZK 511 229 (2020: TCZK 722 532). This and last year's balances were presented in "Provision for taxes".

The provision for litigations presented in Other provisions was used in 2021 for settlement towards a counterparty.

## III. ADDITIONAL DISCLOSURES IN RESPECT OF THE INCOME STATEMENT

## III. 1. Non-life insurance

Non-life insurance for 2021 and 2020, by class of insurance:

	Gross premiums written earned	Gross premiums earned	Gross claims paid	Gross operating earned	Reinsurance balance
<b>Direct insurance</b>					
Accident and sickness					
2021	177 244	175 331	80 914	94 647	4 967
2020	149 659	149 172	46 497	82 040	-5 244
Motor – other classes					
2021	2 147 816	2 075 816	1 079 773	728 008	25 865
2020	2 001 393	1 950 505	1 134 713	619 202	-25 832
Fire and other damage to property					
2021	1 569 005	1 479 159	1 101 628	545 300	149 796
2020	1 389 838	1 350 011	663 107	434 883	-89 256
Motor – liability					
2021	3 987 427	3 888 922	2 060 455	1 254 420	-162 992
2020	3 643 554	3 514 571	2 005 844	1 102 204	-97 997
Liability insurance					
2021	1 226 031	1 076 698	413 443	407 916	-126 908
2020	1 072 982	950 738	547 519	372 272	21 530
<b>Reinsurance accepted</b>					
2021	492 274	492 877	765 967	119 758	460 519
2020	420 042	423 019	96 156	106 384	-105 108
<b>Total</b>					
<b>2021</b>	<b>9 599 797</b>	<b>9 188 803</b>	<b>5 502 180</b>	<b>3 150 049</b>	<b>351 247</b>
<b>2020</b>	<b>8 677 468</b>	<b>8 338 016</b>	<b>4 493 836</b>	<b>2 716 985</b>	<b>-301 907</b>

### III. 2. Life assurance

Gross premiums written in life assurance:

	2021	2020
Individual (special) premiums	2 781 481	2 608 497
<b>Total</b>	<b>2 781 481</b>	<b>2 608 497</b>
Regular premium	2 709 462	2 537 267
Single premium	72 019	71 230
<b>Total</b>	<b>2 781 481</b>	<b>2 608 497</b>
Premiums from contracts without bonuses	280 741	43 308
Premiums from contracts with bonuses	493 460	374 419
Premiums from contracts where the investment risk is borne by policyholders	2 007 280	2 190 770
<b>Total</b>	<b>2 781 481</b>	<b>2 608 497</b>
<b>Reinsurance balance (- expense/+ revenue)</b>	<b>-26 287</b>	<b>-17 460</b>

### III. 3. Total amount of gross premiums written by country in which the insurance contract was concluded

All gross written life assurance and non-life insurance premiums arise from insurance policies concluded in the Czech Republic.

### III. 4. Bonuses and rebates

The Company granted the following bonuses and rebates based on policy conditions and insurance contracts:

	2021	2020
<b>Gross amount</b>		
Non-life insurance	178 570	154 812
<b>Total gross amount</b>	<b>178 570</b>	<b>154 812</b>
Reinsurers' share	17 189	13 756
<b>Total net amount</b>	<b>161 381</b>	<b>141 056</b>

In accordance with the procedures stated in note I. 4 (l) of the Notes, the Company accounted for the following changes in the provision for bonuses and rebates:

2021	Gross amount	Reinsurance share	Net
<b>Non-life insurance</b>			
Creation	202 951	42 067	160 884
Release	178 570	31 181	147 389
Change in adjustments	24 381	10 886	13 495
<b>Life assurance</b>			
Creation	816 838	0	816 838
Release	698 201	0	698 201
Change in adjustments	118 637	0	118 637
<b>Total change of balance</b>	<b>143 018</b>	<b>10 886</b>	<b>132 132</b>
2020	Gross amount	Reinsurance share	Net
<b>Non-life insurance</b>			
Creation	187 979	31 181	156 798
Release	154 812	17 649	137 163
Change in adjustments	33 167	13 532	19 635
<b>Life assurance</b>			
Creation	698 202	0	698 202
Release	570 812	0	570 812
Change in adjustments	127 390	0	127 390
<b>Total change of balance</b>	<b>160 557</b>	<b>13 532</b>	<b>147 025</b>

### III. 5. Commissions and other acquisition costs for insurance contracts

	2021			2020		
	Non-life insurance	Life assurance	Total	Non-life insurance	Life assurance	Total
Commissions	1 979 852	735 215	2 715 067	1 693 568	733 051	2 426 619
Other acquisition costs	818 510	238 088	1 056 598	756 185	204 535	960 720
Change in deferred acquisition costs	-71 153	11 393	-59 760	-86 272	-34 225	-120 497
<b>Total commissions and other acquisition costs</b>	<b>2 727 209</b>	<b>984 696</b>	<b>3 711 905</b>	<b>2 363 481</b>	<b>903 361</b>	<b>3 266 842</b>

The amount of commissions comprises all commissions to insurance intermediaries relating to the acquisition and follow-up renewal of the insurance contracts, including commissions on active reinsurance.

### III. 6. Administrative expenses

	2021	2020
Personnel expenses (payroll, social and health insurance)	265 954	250 626
IT expenses	271 412	228 402
Expenses related to the operation of buildings	53 018	54 113
Communications	28 230	26 205
Other services	32 636	18 739
Company car expenses	4 985	3 785
Material	5 557	9 114
Insurance premiums	2 449	1 879
Bank fees	10 176	8 842
Advisory services	17 114	11 803
Representation expenses and presents	13 783	2 744
Depreciation of assets	2 517	1 805
Education	10 724	10 724

	2021	2020
Travel expenses	206	484
Other finance expenses	6 941	6 103
Outsourcing*	265 063	223 121
Other administrative expenses	1 406	5 845
<b>Total administrative overheads before reallocation</b>	<b>992 171</b>	<b>864 334</b>
Reallocation to acquisition costs	-193 438	-167 674
Reallocation to claims handling costs	-246 655	-218 346
Reallocation to costs on investments	-16 082	-11 551
<b>Total reallocation</b>	<b>-456 175</b>	<b>-397 571</b>
<b>Total administrative expenses</b>	<b>535 996</b>	<b>466 763</b>

\* In 2021, the price for shared services was updated to reflect the extent of the activities and the related expenses.

### III. 7. Other technical expenses and income

	2021	2020
<b>Non-life insurance</b>		
Other technical expenses	206 946	187 782
Other technical income	-110 801	-48 023
<b>Balance – non-life insurance (+ expense/- revenue)</b>	<b>96 145</b>	<b>139 759</b>
<b>Life assurance</b>		
Other technical expenses	36 050	20 442
Other technical income	-140 095	-19 618
<b>Balance – life assurance (+ expense/- revenue)</b>	<b>-104 045</b>	<b>824</b>

The reinsurer does not have a share in the Company's other technical expenses and income.

The balance of other technical expenses and income in non-life insurance comprises the following items:

	2021	2020
Creation (+)/Release (-) of adjustments for receivables	-15 539	39 750
Depreciation (+)/Payments after depreciation (-) for receivables	19 553	12 095
Foreign exchanges losses (+)/gains (-)	-1 558	-2 847
Contribution to the loss prevention fund	117 270	107 120
Delegated insurance events	-5 010	-5 866
Cost of the Bureau's liabilities	10 400	-2 560
Compensation of the cost of debt recovery and collection	-27 983	-26 225
Other	-988	-7 933
<b>Balance of other expenses and income</b>	<b>96 145</b>	<b>113 534</b>

The balance of other technical expenses and income in life assurance comprises the following items:

	2021	2020
Creation (+)/Release (-) of adjustments for receivables	-2 908	4 972
Depreciation (+)/Payments after depreciation (-) for receivables	6 549	1 072
Foreign exchanges losses (+)/gains (-)	- 316	- 687
Accumulated debt	-94 406	0
Compensation of the cost of debt recovery and collection	-9 024	-11 028
Other	-3 940	-4 533
<b>Balance of other expenses and income</b>	<b>-104 045</b>	<b>-10 204</b>

### III. 8. Other expenses and income

	2021	2020
<b>Non-technical account</b>		
Other expenses	165 284	37 167
Other income	-16 134	- 2 280
<b>Balance of other expenses and income</b>	<b>149 150</b>	<b>34 887</b>

The balance of other expenses and income comprises the following items:

	2021	2020
Creation (+)/ release (-) of adjustments to other receivables	52 468	-86
Creation (+)/ release (-) of other provisions	74 146	18 306
Bureau's contributions	15 369	17 602
Other	7 167	-935
<b>Balance of other expenses and income</b>	<b>149 150</b>	<b>34 887</b>

### III. 9. Employees and executives

The average number of employees and executives and remuneration for 2021 and 2020 are as follows:

2020	Average number of employees	Payroll expenses	Social and health insurance	of which other personnel expenses
Employees	806	480 794	163 271	25 339
Executives	76	118 257	37 092	6 232
<b>Total</b>	<b>882</b>	<b>599 051</b>	<b>200 363</b>	<b>31 571</b>

2019	Average number of employees	Payroll expenses	Social and health insurance	of which other personnel expenses
Employees	785	439 980	141 414	22 578
Executives	71	121 594	35 018	6 240
<b>Total</b>	<b>856</b>	<b>561 574</b>	<b>176 432</b>	<b>28 818</b>

TCZK 265 954 (2020: TCZK 250 626) of the total personnel, social security and health insurance expenses represents administrative expenses before reallocation, and TCZK 533 460 (2020: TCZK 487 380) accounts for expenses incurred to acquire insurance contracts.

#### (a) Social security and health insurance liabilities

Liabilities in respect of social security and health insurance total TCZK 21 229 (2020: TCZK 21 126), of which TCZK 14 249 (2020: TCZK 14 056) relates to social security, and TCZK 6 980 (2020: TCZK 7 070) relates to health insurance. None of these liabilities are overdue.

#### (b) Tax liabilities and subsidies

Tax liabilities total TCZK 9 718 (2020: a liability of TCZK 9 284), and represent outstanding taxes arising from personal income tax as at the end of the current period.



**(c) Statutory, Executive and Supervisory Board members' remuneration**

For the 2021 and 2020 financial periods, the Company recognised the following monetary and non-monetary remuneration to the statutory, executive and supervisory board members:

	2021	2020
Members of the board of directors	19 440	24 734
Members of the supervisory board	1 926	1 631
<b>Total remuneration</b>	<b>21 366</b>	<b>26 365</b>

**(d) Statutory, executive and supervisory board members' loans, other receivables and advances**

In 2021 and 2020, the Company did not present any receivables from members of the board of directors or the supervisory board relating to granted loans or advances paid.

**III. 10. Fees payable to statutory auditors**

Information about fees payable to statutory auditors are provided in the notes to the consolidated financial statements of the parent company VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe. The audit firm provided the Company and companies controlled by the Company with non-audit services of TCZK 740 in 2021 (2020: TCZK 735). The services represented the audit of the Solvency II reporting.

**III. 11. Allocation of investment return between technical account for non-life insurance and non-technical account**

As at the balance sheet date, the total amount of investment return allocated between the technical account for non-life insurance and the non-technical account by means of the method stated in note I.4.(v) totalled TCZK 174 868 (2020: TCZK 40 685).

**III. 12. Result of non-technical account**

As at 31 December 2021, the result of the non-technical account before tax totalled a loss of TCZK 149 151 (2020: loss of TCZK 34 887).

**III. 13. Result before tax**

As at 31 December 2021, profit before tax totalled TCZK 962 141 (2020: TCZK 795 596).

**III. 14. Taxes****(a) Income tax in the income statement**

	2021	2020
Current period income tax	511 439	722 611
Current income tax relating to prior periods	-8 913	334
Change in deferred tax asset/Change in deferred tax liability	-317 626	-547 671
Current tax expense – restated current tax from AFS	740	1 627
<b>Income tax in the income statement</b>	<b>185 640</b>	<b>176 901</b>

The income tax for 2021 includes the taxation of the difference between the technical provisions pursuant to the Insurance Act and pursuant to the Act on Accounting of TCZK 295 835 (2020: TCZK 546 644 (see note I.4.(h))).

**(b) Deferred tax assets and liabilities**

Deferred tax assets and liabilities are as follows:

Temporary differences	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
Fixed assets	0	0	-10 566	-11 517	-10 566	-11 517
Receivables	27 069	28 356	0	0	27 069	28 356
Technical provisions	862 457	566 163	0	0	862 457	566 163
Provisions	58 205	36 537	0	0	58 205	36 537
<b>Total temporary differences recorded in the income statement</b>	<b>947 731</b>	<b>631 056</b>	<b>-10 566</b>	<b>-11 517</b>	<b>937 165</b>	<b>619 539</b>
Revaluation of assets and liabilities	9 830	0	0	-54 327	9 830	-54 327
<b>Deferred tax asset/(liability)</b>	<b>957 561</b>	<b>631 056</b>	<b>-10 566</b>	<b>-65 844</b>	<b>946 995</b>	<b>565 212</b>

In accordance with the accounting policy described in note I. 4. (h), a tax rate of 19% was used to calculate deferred tax.

## IV. OTHER DISCLOSURES

### IV. 1. Contingent liabilities

#### (a) Co-insurance

The Company is the leading co-insurer in several coinsurance contracts in respect of which a claim of a material amount has been announced as at the end of the accounting period.

The Company considers it improbable that the beneficiary will file a claim in the full amount against the Company as the leading co-insurer and has therefore only established a provision for outstanding claims in the amount of its share.

#### (b) Membership in the Czech Bureau of Insurers (the Bureau)

As a member of the Bureau, the Company is obliged to guarantee the liabilities of the Bureau pursuant to the Act on Motor Third Party Liability Insurance. Therefore, the Company contributes to the guarantee fund. The amount of the Company's contributions is determined based on the Bureau's calculation.

If any of the members of the Bureau is unable to meet their obligations arising from the statutory motor third-party liability insurance due to insolvency, the Company may become liable to make additional contributions to the guarantee fund.

#### (c) Membership in the Czech Nuclear Pool

As a member of the Czech Nuclear Pool, the Company, under a "Joint and Several Liability" agreement, has assumed a liability, in proportion to the Company's net retention for the given contract, should one or more members of the Czech Nuclear Pool be unable to fulfil their obligation. The total contingent liability of the Company including joint and several liability is contractually limited to double the retention for the specific insured risk.

### IV. 2. Subsequent events

The company carefully monitors and assesses the risks connected with the Russian-Ukrainian conflict that broke out at the end of February 2022.

Based on the internal analysis that was conducted, the Company's management assesses the impacts of this situation on the Company's financial statements as immaterial.

The Company's management is not aware of any other material subsequent events that have occurred since the balance sheet date that would have a material impact on the financial statements.

Prague, 28 March 2022



Ing. Jaroslav Besperát  
Chairman of the Board of Directors



Mag. Christoph Rath  
Member of the Board of Directors

The background is a vibrant blue gradient, transitioning from a lighter cyan on the left to a deeper navy blue on the right. It is overlaid with a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and rectangles, in various shades of blue. Interspersed among these shapes are numerous thin, horizontal white lines of varying lengths, some of which appear to have a slight glow or motion blur effect, suggesting a sense of speed and technology.

BOARD OF DIRECTORS

# ORGANIZATIONAL STRUCTURE

## AS AT 31 DECEMBER 2021

### SUPERVISORY BOARD

**Ing. Vladimír Mráz**

Chairman of the Supervisory Board

**Prof. Elisabeth Stadler**

Vice-Chair of the Supervisory Board

**Ing. Martin Diviš, MBA**

Member of the Supervisory Board

**Mag. Gerhard Lahner**

Member of the Supervisory Board

**Mgr. Jolana Kolaříková**

Member of the Supervisory Board

**Ing. Petr Vokřál**

Member of the Supervisory Board

**Dkfm. Karl Fink**

Member of the Supervisory Board since 29 April 2021

**Hartwig Löger**

Member of the Supervisory Board since 29 April 2021

**Romana Hartlová**

Member of the Supervisory Board since 21 June 2021

Note:

By the decision of the sole shareholder, the number of Supervisory Board members was increased from six to nine in April 2021, and Mr Karl Fink and Mr Hartwig Löger were appointed as the new members. The third member was appointed by the employees, who elected Ms Romana Hartlová in June.

### BOARD OF DIRECTORS

**Ing. Jaroslav Besperát**

Chairman of the Board of Directors

**Ing. František Vlnař**

Member of the Board of Directors

**Mag. Christoph Rath**

Member of the Board of Directors

**Ing. Jaroslav Kulhánek**

Member of the Board of Directors

### AUDIT COMMITTEE

**Ing. Vladimír Mráz**

Chairman of the Audit Committee

**Prof. Elisabeth Stadler**

Vice-Chair of the Audit Committee

**Ing. Martin Diviš, MBA**

Member of the Audit Committee

**Ing. František Dostálek**

Member of the Audit Committee

### REGIONAL DIRECTORATES

Regional directorate Pilsen

**Ing. Dušan Zeman**

Regional directorate Brno

**René Heinc**

Regional directorate Hradec Králové

**Ing. Igor Rejzek**

Regional directorate Prague

**Ing. Petr Vokřál**

Regional directorate Ostrava

**Alan Zahrada**

Regional directorate České Budějovice

**Ing. Pavel Cepek**

### SPECIALISED DEPARTMENTS

General secretary division

**Ing. René Činátl**

Internal trade division

**Mgr. René Mičke**

External networks divisions

**Bc. Jan Křehlík**

Business risks divisions

**Ing. Pavel Wiesner**

Sale support division

**Ing. Zdeněk Kolář**

Business development and innovations division

**Mgr. Renata Hucková**

Product development division

**Bc. Marek Woitsch**

Life assurance administration and claims settlement division

**Mgr. Jiří Urbaník**

Non-life insurance and fleet insurance administration division

**Ing. Petr Žaba**

Non-life insurance claims settlement division

**Bořek Těžký**

Marketing and PR division

**Mgr. Jolana Kolaříková**

HR division

**Romana Hartlová**



REGIONAL DIRECTORATES  
AND A LIST OF BRANCH  
OFFICES – APPENDIX

# PRAGUE

## Head office

Pobřežní 665/23, 186 00, Praha 8, tel.: 957 444 555

## Regional directorate

Praha, Budějovická 778/3, 140 21 Praha, tel.: 957 554 045

## Branch office

Benešov, Tyršova 2260, 256 01 Benešov, tel.: 315 694 947

Beroun, Politických vězňů 153/21, 266 01 Beroun, tel.: 311 626 736

Kladno, Komenského 3379/2, 272 01 Kladno, tel.: 312 240 214

Kolín, Legerova 182, 280 02 Kolín, tel.: 321 716 931

Mělník, Jaroslava Seiferta 147/6, 276 01 Mělník, tel.: 315 628 643

Mladá Boleslav, U Kasáren 1377, 293 01 Mladá Boleslav, tel.: 326 736 168

Nymburk, Náměstí Přemyslovců 39, 288 02 Nymburk, tel.: 325 531 908

Praha 2 – Vinohrady, Korunní 841/27, 120 00 Praha 2, tel.: 221 501 310

Praha 4 – Pankrác, Budějovická 3a, 140 21 Praha 4, tel.: 957 554 046

Praha 5 – Smíchov, Jindřicha Plachty 25, 150 00 Praha 5, tel.: 257 319 003

Praha 8 – Karlín, Pobřežní 665/23, 186 00 Praha 8, tel.: 956 451 051

Praha 9 – Vysočany, Jandova 10/3, 190 00 Praha 9, tel.: 233 901 237

Příbram, Dlouhá 97, 261 01 Příbram, tel.: 318 627 195

Rakovník, Husovo náměstí 52, 269 01 Rakovník, tel.: 313 502 590

## Station of branch office

Mladá Boleslav, Kvasiny 145 – Odbory KOVO, 517 02 Mladá Boleslav, tel.: 494 530 053

Mladá Boleslav, Tř. Václava Klementa 869 – Odbory KOVO, 293 01 Mladá Boleslav II, tel.: 326 817 198, 731 135 622

# BRNO

## Regional directorate

Brno, Vlněna 526/1, 602 00 Brno, tel.: 957 553 019

## Branch office

Boskovice, Růžové náměstí 3 + 4, 680 01 Boskovice, tel.: 516 452 137

Brno – Kapucínské nám., Kapucínské náměstí 14, 602 00 Brno, tel.: 542 215 232

Brno – Kounicova, Kounicova 271/13, 602 00 Brno, tel.: 542 215 140

Brno – Palackého, Palackého třída 879/84, 612 00 Brno, tel.: 541 217 647

Břeclav, U Stadionu 2144, 690 02 Břeclav, tel.: 519 322 854

Hodonín, Národní 301/26, 695 01 Hodonín, tel.: 957 548 120

Kroměříž, Vejvanovského 1592/20, 767 01 Kroměříž, tel.: 573 331 759

Třebíč, Hrotovická 1202/27, 674 01 Třebíč, tel.: 957 548 134

Uherské Hradiště, Na Splávku 1182, 686 01 Uherské Hradiště, tel.: 572 540 602

Zlín, Dlouhá 5617, 760 01 Zlín, tel.: 577 220 954

Znojmo, Pražská 2F, 669 02 Znojmo, tel.: 515 331 011

Žďár nad Sázavou, ul. Nádražní 2119/69, 591 01 Žďár nad Sázavou, tel.: 566 629 899

## Station of branch office

Brno – Vlněna 526/1, 602 00 Brno, tel.: 957 533 000

# ČESKÉ BUDĚJOVICE

## Regional directorate

Průmyslová 1656, 370 01 České Budějovice, tel.: 957 554 615

## Branch office

České Budějovice, Průmyslová 1656, 370 01 České Budějovice, tel.: 957 554 606

Český Krumlov, Tovární 198, 381 01 Český Krumlov, tel.: 380 711 260

Havlíčkův Brod, Dolní 1, 580 01 Havlíčkův Brod, tel.: 569 420 408

Jihlava, Žižkova 13, 586 01 Jihlava, tel.: 567 300 255

Jindřichův Hradec, Masarykovo náměstí 108, 377 01 Jindřichův Hradec, tel.: 384 361 080

Pelhřimov, Příkopy 476, 393 01 Pelhřimov, tel.: 565 322 449

Písek, Fráni Šrámka 167, 397 01 Písek, tel.: 382 217 082

Prachatice, Velké náměstí 6, 383 01 Prachatice, tel.: 388 311 138

Strakonice, Komenského 105, 386 01 Strakonice, tel.: 383 322 935

Tábor, Fügnerova 822, 390 02 Tábor, tel.: 381 257 556

## Station of branch office

Strakonice, Krále Jiřího z Poděbrad 772, 386 01 Strakonice, tel.: 734 522 750

Vimperk, Pivovarská 109, 385 01 Vimperk, tel.: 957 548 101

Dačice, Havlíčkovo nám. 103, 380 01 Dačice, tel.: 957 548 110

Trhové Sviny, Žižkovo náměstí 136, 374 01 Trhové Sviny, tel.: 387 202 282

České Budějovice, IGY centrum – Pražská tř. 1247/24, 370 04 České Budějovice, tel.: 957 548 130

Ledeč nad Sázavou, Koželská 209, 584 01 Ledec nad Sázavou, tel.: 733 616 321

# HRADEC KRÁLOVÉ

## Regional directorate

Škroupova 441/9, 500 02 Hradec Králové, tel.: 957 553 628

## Branch office

Česká Lípa, Berkova 107/2 - naproti OD Andy, 470 01 Česká Lípa, tel.: 487 821 194

Děčín, Prokopa Holého 701/18, 405 02 Děčín IV – Podmokly, tel.: 412 520 108

Hradec Králové, Škroupova 441/12, 500 02 Hradec Králové, tel.: 957 553 628

Chrudim, Poděbradova 72, 537 01 Chrudim, tel.: 469 622 831

Jablonec nad Nisou, Komenského 33, 466 01 Jablonec nad Nisou, tel.: 485 143 499

Jičín, Havlíčkova 176, 506 01 Jičín, tel.: 493 599 093

Liberec, Kostelní 4/2 – vchod z náměstí Dr. E. Beneše, 460 01 Liberec 1, tel.: 485 105 104

Náchod, Krámská 29, 547 01 Náchod, tel.: 491 433 168

Pardubice, Smilova 429, 530 02 Pardubice, tel.: 466 068 305

Rychnov nad Kněžnou, Staré náměstí 59, 516 01 Rychnov nad Kněžnou, tel.: 494 661 095

Svitavy, nám. Míru 53/59, 568 02 Svítavy, tel.: 461 530 317

Trutnov, Palackého 103, 541 01 Trutnov, tel.: 499 813 359

Turnov, 28. října 17, 511 01 Turnov, tel.: 481 322 854

Ústí nad Labem, Dlouhá 3458/2A – Palác Jordan, 400 01 Ústí nad Labem, tel.: 475 220 001

Ústí nad Orlicí, Mírové náměstí 1389, 562 01 Ústí nad Orlicí, tel.: 465 526 290

## Station of branch office

Hradec Králové, Habrmanova 204/6, 500 02 Hradec Králové, tel.: 495 591 506

Hradec Králové, Šimkova 1223/2A, 500 03 Hradec Králové, tel.: 495 510 100

Jablonec nad Nisou, Lidická 2090/18, 466 01 Jablonec nad Nisou, tel.: 483 319 881

Liberec – OC Plaza, Palachova 1404/2, 460 01 Liberec, tel.: 485 104 411

Pardubice, 17. listopadu 408, 530 02 Pardubice, tel.: 466 610 168

# OSTRAVA

## Regional directorate

28. října 3337/7, 702 00 Ostrava, tel.: 596 123 476

## Branch office

Bruntál, Zámecké náměstí 2/8, 792 01 Bruntál, tel.: 731 135 411

Frýdek-Místek, Ostravská 2125, 738 01 Frýdek-Místek, tel.: 558 436 796

Jeseník, Poštovní 884/1, 790 01 Jeseník, tel.: 584 413 100

Karviná, Masarykovo náměstí 26/14, 733 01 Karviná, tel.: 596 320 224

Nový Jičín, Tyršova 15, 741 01 Nový Jičín, tel.: 556 706 765

Olomouc, Litovelská 17, 779 00 Olomouc, tel.: 585 700 939

Opava, Ostrožná 231/36, 746 01 Opava, tel.: 553 624 989

Ostrava, ul. Dlouhá 194/3, 702 00 Ostrava – Moravská Ostrava, tel.: 596 123 476

Prostějov, Hradební 4603/15, 796 01 Prostějov, tel.: 582 337 735

Přerov, Mostní 226/2, 750 02 Přerov, tel.: 581 203 161

Šumperk, M. R. Štefánika 3198/15, 787 01 Šumperk, tel.: 583 224 827

Třinec, náměstí Míru 551, 739 61 Třinec, tel.: 558 335 700

Vsetín, Na Příkopě 814/15, 755 01 Vsetín, tel.: 571 424 733

## Station of branch office

Frenštát pod Radhoštěm, Kostelní 478, 744 01 Frenštát pod Radhoštěm, tel.: 556 801 365

Rožnov pod Radhoštěm, Nádražní 23, 756 61 Rožnov pod Radhoštěm, tel.: 571 438 438

Ostrava, Dr. Martínka 1590 - OD Špalíček, 700 30 Ostrava-Hrabůvka, tel.: 596 110 536

Olomouc, Tovární 1197/42a, 779 00 Olomouc – Hodolany, tel.: 585 203 251

Valašské Meziříčí, Náměstí 71, 757 01 Valašské Meziříčí, tel.: 571 610 581

Český Těšín, Smetanova 9, 737 01 Český Těšín, tel.: 733 616 198

# PILSEN

## Regional directorate

Lochotínská 18, 301 00 Plzeň, tel.: 957 553 310

## Branch office

Domažlice, Vodní 31, 344 01 Domažlice, tel.: 379 768 435

Cheb, 26. dubna 583/14, 350 02 Cheb, tel.: 957 548 173

Chomutov, Riegrova 229, 430 01 Chomutov, tel.: 474 623 494

Karlovy Vary, Moskevská 10, 360 01 Karlovy Vary, tel.: 353 563 910

Klatovy, Pražská 120, 339 01 Klatovy, tel.: 376 321 122

Litoměřice, Dlouhá 182, 412 01 Litoměřice, tel.: 416 733 343

Most, Moskevská 3336, 434 01 Most, tel.: 476 744 980

Plzeň, Lochotínská 18, 301 00 Plzeň, tel.: 957 553 328

Sokolov, Marie Majerové 1815, 356 01 Sokolov, tel.: 352 605 751

Tachov, Boženy Němcové 98, 347 01 Tachov, tel.: 374 720 311

Teplice, 28. října 780/10, 415 01 Teplice, tel.: 417 531 007

## Station of branch office

Litvínov, 9. května 26 – Galerie, 436 01 Litvínov, tel.: 957 548 131

Plzeň – Gerská, Gerská 1951/15, 323 00 Plzeň, tel.: 377 320 283

Plzeň – Luna, Skupova 24 – Obchodní centrum LUNA, 301 00 Plzeň, tel.: 377 540 509

Plzeň – nám. Generála Píky, náměstí Generála Píky 15, 326 00 Plzeň, tel.: 377 970 790

Rokycany, Jiráskova 1298, 337 01 Rokycany, tel.: 371 785 223

Žatec, Karla IV. 353, 438 01 Žatec, tel.: 415 214 435

Sušice, Americké armády 78, 342 01 Sušice, tel.: 376 522 171

Mariánské Lázně, Chebská 731/15 – NC Nová Chebská, 353 01, Mariánské Lázně, tel.: 354 626 227



# POINTS OF SALE OF ČPP SERVIS

## Headquarters ČPP Servis s.r.o.

Budějovická 778/3, 140 21 Praha 4

Brno, Tolstého 562/35, 616 00 Brno

Brno, Úvoz 31, 602 00 Brno

Dobříš, Plk. B. Petroviče 373, 263 01 Dobříš

Havířov, Národní třída 576/2, 736 01 Havířov

Hořice, Aloise Hlavatého 2185, 508 01 Hořice

Chlumeck nad Cidlinou, 9. května 6, 503 51 Chlumeck nad Cidlinou

Chomutov, 28. října 1025, 430 01 Chomutov

Jičín, Valdštejnovo náměstí 88, 506 01 Jičín

Karlovy Vary, Chebská 73/8, 360 06 Karlovy Vary

Kolín, A. Dvořáka 1101, 280 02 Kolín

Moravský Krumlov, Palackého 112, 672 01 Moravský Krumlov

Ostrava-Poruba, 17. listopadu 677, 708 00 Ostrava-Poruba

Ostrava-Zábřeh, Patrice Lumumby 2717, 700 30 Ostrava-Zábřeh

Pardubice, U Divadla 784, 530 02 Pardubice

Pardubice – Polabiny, Na Labišti 527, 530 09 Pardubice

Poděbrady, Divadelní 66/3, 290 01 Poděbrady

Praha 4, Budějovická 3a, 140 21 Praha 4

Prostějov, Plumlovská 17, 796 01 Prostějov

Rožnov pod Radhoštěm, Meziříčská 2868, 756 61 Rožnov pod Radhoštěm

Třebíč, Komenského náměstí 140/4, 674 01 Třebíč

Veselí nad Lužnicí, Budějovická 197, 391 81 Veselí nad Lužnicí

Vyškov, Dobrovského 422/3, 682 01 Vyškov

Zlín, Vavrečkova 7074, 760 01 Zlín

Žabčice, Nádražní 589, 664 63 Nádražní 589

The background is a deep blue gradient with various shades of blue. It features several overlapping, semi-transparent geometric shapes, including rectangles and trapezoids, some of which are tilted. There are also several horizontal white lines of varying lengths and thicknesses, some of which are slightly blurred, creating a sense of motion or light trails. The overall effect is modern and technological.

REPORT OF THE BOARD  
OF DIRECTORS  
ON RELATIONS

# REPORT OF THE BOARD OF DIRECTORS

## ON RELATIONS BETWEEN RELATED PARTIES PURSUANT TO SECTION 82 OF ACT NO. 90/2012 COLL., ON BUSINESS CORPORATIONS.

### I. STRUCTURE OF RELATIONS

Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, with its registered office at Pobřežní 665/23, 186 00 Praha 8, ID No.: 63998530, recorded in the Commercial Register maintained by the Municipal Court in Prague, section B, insert 3433 (“**ČPP**”) is the controlled entity.

Kooperativa pojišťovna, a.s., Vienna Insurance Group, with its registered office at Pobřežní 665/21, 186 00 Praha 8, ID No.: 47116617, recorded in the Commercial Register maintained by the Municipal Court in Prague, section B, file 1897, was the Company’s controlling entity until 20 June 2021. As at the decisive date of 21 June 2021, VIENNA INSURANCE GROUP AG Wiener Versicherungs Gruppe, with its registered office at Schottenring 30, Wien 1010, Austria, recorded in the Commercial Register maintained by the Commercial Court in Vienna, section FN, file 75687 F (“**VIG AG**”), was recorded in the Central Depository of Securities as the sole owner of 100% shares of ČPP.

### II. ČPP’S ROLE IN THE GROUP

VIG AG is the controlling entity of the Vienna Insurance Group (the “**VIG Group**”), having a legal form of joint-stock company. Within the VIG Group, ČPP is primarily engaged in insurance activities pursuant to Act No. 277/2009 Coll., on Insurance, and in activities directly associated with insurance.

### III. MANNER AND MEANS OF CONTROL

VIG AG owns ČPP’s shares in an aggregate nominal value of 100% of its registered capital and controls ČPP primarily through decision-making of the sole shareholder when exercising the powers of a general meeting.

A list of VIG AG’s subsidiaries is included in an appendix to this report (the “**VIG group companies**”).

### IV. AN OVERVIEW OF CONTRACTS BETWEEN ČPP AND THE VIG GROUP COMPANIES

#### AIS Servis, s.r.o.

- Maintenance agreement concluded between ČPP and AIS Servis, s.r.o.
- Contract for work between ČPP and AIS Servis on Golem and SAP trainin.
- Loan agreement concluded between ČPP and AIS Servis, s.r.o.

#### Bohemika a.s. (until 31 December 2021 Bohemia Servis Finance a.s.)

- Insurance contract for professional liability insurance concluded between ČPP and Bohemika a.s. - liability of an independent intermediary of insurance, consumer loans, supplementary pension insurance and investments.
- Insurance contract for liability insurance of members of the statutory body concluded between ČPP and Bohemika a.s.
- Pinsurance contract for car insurance concluded between ČPP and Bohemika a.s.
- Contract for business representation concluded between ČPP and Bohemika a.s.
- Contract for cost sharing concluded between ČPP and Bohemika a.s.

#### CP Solutions a.s.

- Contract on the provision of user rights for software and related services concluded between ČPP and CP Solutions a.s.

#### ČPP Servis, s.r.o.

- Insurance contract for property and liability insurance concluded between ČPP and ČPP Servis, s.r.o.
- Insurance contract for liability insurance of members of the statutory body concluded between ČPP and ČPP Servis, s.r.o.
- Insurance contracts for professional liability insurance concluded between ČPP and ČPP Servis, s.r.o. - liability of an independent intermediary of insurance, consumer loans, supplementary pension insurance and investments.
- Insurance contract for GDPR liability insurance concluded between ČPP and ČPP Servis, s.r.o.
- Insurance contract for car insurance concluded between ČPP and ČPP Servis, s.r.o.
- Insurance contract for travel insurance concluded between ČPP and ČPP Servis, s.r.o.

- Contracts for business representation concluded between ČPP and ČPP Servis, s.r.o.
- Contract for cost sharing concluded between ČPP and ČPP Servis, s.r.o.
- Agreement on telephone support services concluded between ČPP and ČPP Servis, s.r.o.
- Contract on the sale of moveable assets concluded between ČPP and ČPP Servis, s.r.o.

#### **FinServis Plus, s.r.o.**

- Insurance contract for professional liability insurance concluded between ČPP and FinServis Plus, s.r.o. - liability of an independent insurance intermediary.
- Contract for business representation concluded between ČPP and FinServis Plus, s.r.o.

#### **GLOBAL ASSISTANCE a.s.**

- Contract for cooperation on providing assistance services concluded between ČPP and GLOBAL ASSISTANCE a.s.
- Contract for personal data handling concluded between ČPP and GLOBAL ASSISTANCE a.s.
- Confidentiality agreement concluded between ČPP and GLOBAL ASSISTANCE a.s.
- Framework contract concluded between ČPP and GLOBAL ASSISTANCE a.s. on the provision of discounts.
- Contract for cooperation relating to legal expenses insurance concluded between ČPP and GLOBAL ASSISTANCE a.s.
- Contract for cooperation relating to technical assistance concluded between ČPP and GLOBAL ASSISTANCE a.s.

#### **Global Expert, s.r.o.**

- Contracts for outsourcing concluded between ČPP and Global Expert, s.r.o.
- Personal data processing contract concluded between ČPP and Global Expert, s.r.o.
- Sublease contract concluded between ČPP and Global Expert, s.r.o.
- Loan agreement concluded between ČPP and Global Expert, s.r.o.
- Contract concluded between ČPP and Global Expert, s.r.o. for provision of a voluntary monetary contribution made outside registered capital

#### **KAPITOL, a.s.**

- Contracts for business representation concluded between ČPP and KAPITOL, a.s.

#### **Kooperativa pojišťovna, a.s., Vienna Insurance Group**

- Contracts for provision of reinsurance coverage in respect of property and liability insurance concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group.
- Contracts for property and liability insurance concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Contracts on ČPP's co-insurance or reinsurance share in insurance contracts led by Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Group contract for a comprehensive car fleet insurance concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group

- Contract for exclusive business representation concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Contracts for lease and sublease of non-residential premises concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Agreement on intra-group cooperation concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Cost sharing contract concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Insurance contracts for managerial life assurance concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Insurance contract for managerial liability insurance concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Agreement on personal data processing concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Agreement concluded between ČPP, Kooperativa pojišťovna, a.s., Vienna Insurance Group, Global Assistance, a.s., and Autem bez starostí s.r.o. on mutual settlement of receivables
- Contract concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group for cooperation of insurers in insuring liability for nuclear facility operation
- Contract concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group for cooperation of insurers in insuring property damage incurred on nuclear facilities
- Agreement of insurers participating in insurance of the liability for nuclear facility operation on solidary liability concluded between ČPP and Kooperativa pojišťovna, a.s., Vienna Insurance Group

#### **Pražská softwarová s.r.o.**

- Contract on the supply of a solution for introducing a biometric signature concluded between ČPP and Pražská softwarová s.r.o.

#### **VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe**

- A proportional quota reinsurance contract on MTPL insurance coverage concluded between ČPP and VIG AG.
- An accidental proportional quota reinsurance contract concluded between ČPP and VIG AG.
- Reinsurance contract concluded between ČPP and VIG AG
- Agreement concluded between ČPP and VIG AG on services and maintenance
- Agreements concluded between ČPP and VIG AG on software license use

#### **VIG ND, a.s.**

- Insurance contracts for property and liability insurance concluded between ČPP and VIG ND, a.s.
- Loan agreement concluded between ČPP and VIG ND, a.s.

#### **VIG RE zajišťovna, a.s.**

- Reinsurance contracts concluded between ČPP and VIG RE zajišťovna, a.s.

## V. AN OVERVIEW OF ACTS PERFORMED IN THE LAST ACCOUNTING PERIOD AT THE INSTIGATION OR IN THE INTEREST OF VIG AG OR OTHER VIG GROUP COMPANIES

In 2021, no legal acts or other measures were performed in the interest or at the instigation of the related parties, except for the payment of ordinary and extraordinary dividend to the shareholder.

## VI. CONFIDENTIALITY

Information and facts that form part of the trade secret of the VIG Group companies as well as any information indicated as confidential by any VIG group company are considered confidential within the VIG Group. Furthermore, these comprise any business information that may, separately or combined with other information or facts, cause a detriment to any of the VIG Group companies.

In order to prevent any damage to be incurred by the controlled entity, this report does not include any financial information about performance and counter-performance relating to concluded contracts and agreements.

## VII. ASSESSMENT OF RELATIONS AND RISKS WITHIN THE VIG GROUP

The VIG Group belongs to the strongest insurance and reinsurance groups in the European market. As a result, ČPP has access to know-how relating, among others, to Solvency II, audit, compliance and information technologies. Both the VIG Group and ČPP generate advantages from their mutual relations. Risks arising from their participation in the VIG Group are considered to be entirely proportionate when taking into account related advantages.

ČPP did not incur any damage from contracts entered into between ČPP and VIG AG and other VIG Group companies and from other acts performed in the last accounting period in the interest or at the instigation of VIG AG or other VIG Group companies.

## VIII. CONCLUSION

This report has been prepared by the Board of Directors of the controlled person, Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, for the period from 1 January 2021 to 31 December 2021, and will be submitted for review to the Supervisory Board. As ČPP is obliged under the law to prepare an annual report, this report constitutes an integral part of the annual report. The annual report will be submitted for review to the audit firm KPMG Česká republika Audit, s.r.o.

Prague, 28 March 2022



Ing. Jaroslav Besperát  
Chairman of Board of Directors



Mag. Christoph Rath  
Member of Board of Directors

# ANNEX TO THE RELATED PARTIES REPORT 2021

## RELATED PARTIES TO VIENNA INSURANCE GROUP AG WIENER VERSICHERUNG GRUPPE

Consolidated companies		
Company	Country	The current capital share in %
"BULSTRAD LIFE VIENNA INSURANCE GROUP" JOINT STOCK COMPANY	Bulgaria	100,00
"Compensa Vienna Insurance Group", ADB	Lithuania	100,00
"Grüner Baum" Errichtungs- und Verwaltungsges.m.b.H.	Austria	100,00
Anděl Investment Praha s.r.o.	Czech Republic	100,00
Anif-Residenz GmbH & Co KG	Austria	100,00
Asigurarea Românească - ASIROM Vienna Insurance Group S.A.	Romania	99,79
ATBIH GmbH	Austria	100,00
ATRIUM TOWER SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	Poland	100,00
BCR Asigurări de Viață Vienna Insurance Group S.A.	Romania	93,98
Blizzard Real Sp. z o.o.	Poland	100,00
BTA Baltic Insurance Company AAS	Latvia	100,00
Bulgarski Imoti Asistans EOOD	Bulgaria	100,00
Businesspark Brunn Entwicklungs GmbH	Austria	100,00
CAPITOL, akciová spoločnosť	Slovakia	100,00
CENTER Hotelbetriebs GmbH	Austria	80,00
Central Point Insurance IT-Solutions GmbH	Austria	100,00
Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group	Czech Republic	100,00
Compania de Asigurări "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni	Moldova	99,99
Compensa Life Vienna Insurance Group SE	Estonia	100,00
"Compensa Towarzystwo Ubezpieczeń Na Życie S.A. Vienna Insurance Group"	Poland	99,97
Compensa Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group	Poland	99,94
CP Solutions a.s.	Czech Republic	100,00

Consolidated companies		
Company	Country	The current capital share in %
DBLV Immobesitz GmbH & Co KG	Austria	100,00
DBR-Liegenschaften GmbH & Co KG	Germany	100,00
Deutschmeisterplatz 2 Objektverwaltung GmbH	Austria	100,00
Donau Brokerline Versicherungs-Service GmbH	Austria	100,00
DONAU Versicherung AG Vienna Insurance Group	Austria	100,00
DVIB alpha GmbH	Austria	100,00
DVIB GmbH	Austria	100,00
DV Immoholding GmbH	Austria	100,00
ELVP Beteiligungen GmbH	Austria	100,00
EUROPEUM Business Center s.r.o.	Slovakia	100,00
Floridsdorf am Spitz 4 Immobilienverwertungs GmbH	Austria	100,00
Gesundheitspark Wien-Oberlaa Gesellschaft m.b.H.	Austria	100,00
GLOBAL ASSISTANCE, a.s.	Czech Republic	100,00
HUN BM Korlátolt Felelősségű Társaság	Hungary	100,00
Insurance Company Vienna osiguranje d.d., Vienna Insurance Group	Bosnia and Herzegovina	100,00
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD	Bulgaria	100,00
InterRisk Lebensversicherungs-AG Vienna Insurance Group	Germany	100,00
InterRisk Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group	Poland	100,00
InterRisk Versicherungs-AG Vienna Insurance Group	Germany	100,00
INTERSIG VIENNA INSURANCE GROUP Sh.A.	Albania	89,98
Joint Stock Company Insurance Company GPI Holding	Georgia	90,00
Joint Stock Company International Insurance Company IRAO	Georgia	100,00

Consolidated companies		
Company	Country	The current capital share in %
Joint Stock Insurance Company WINNER-Vienna Insurance Group	Northern Macedonia	100,00
Kaiserstraße 113 GmbH	Austria	100,00
"KÁLVIN TOWER Ingatlanfejlesztési és Beruházási Korlátolt Felelősségű Társaság"	Hungary	100,00
KAPITOL, a.s.	Czech Republic	100,00
KKB Real Estate SIA	Latvia	100,00
KOMUNÁLNA poisťovňa, a.s. Vienna Insurance Group	Slovakia	100,00
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group	Slovakia	98,47
Kooperativa, pojišťovna, a.s. Vienna Insurance Group	Czech Republic	97,28
LVP Holding GmbH	Austria	100,00
MAP-WSV Beteiligungen GmbH	Austria	100,00
MC EINS Investment GmbH	Austria	100,00
MH 54 Immobilienanlage GmbH	Austria	100,00
NNC REAL ESTATE SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	Poland	100,00
Nußdorfer Straße 90-92 Projektentwicklung GmbH & Co KG	Austria	100,00
OMNIASIG VIENNA INSURANCE GROUP S.A.	Romania	99,54
OÜ LiveOn Paevalille	Estonia	100,00
Palais Hansen Immobilienentwicklung GmbH	Austria	56,55
Passat Real Sp. z o.o.	Poland	100,00
Pension Assurance Company Doverie AD	Bulgaria	92,58
PFG Holding GmbH	Austria	89,23
PFG Liegenschaftsbewirtschaftungs GmbH & Co KG	Austria	92,88
Porzellangasse 4 Liegenschaftsverwaltung GmbH & Co KG	Austria	100,00
"PRIVATE JOINT-STOCK COMPANY ""INSURANCE COMPANY ""KNIAZHA LIFE VIENNA INSURANCE GROUP""	Ukraine	99,81
Private Joint-Stock Company "Insurance company" Ukrainian insurance group"	Ukraine	100,00
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNIAZHA VIENNA INSURANCE GROUP"	Ukraine	99,99

Consolidated companies		
Company	Country	The current capital share in %
PROGRESS Beteiligungs-ges.m.b.H.	Austria	70,00
Projektbau GesmbH	Austria	100,00
Projektbau Holding GmbH	Austria	100,00
Rathstraße 8 Liegenschaftsverwertungs GmbH	Austria	100,00
Ray Sigorta A.Ş.	Turkey	94,96
Rößlergasse Bauteil Drei GmbH	Austria	100,00
Rößlergasse Bauteil Zwei GmbH	Austria	100,00
S - budovy, a.s.	Czech Republic	100,00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH & Co KG	Austria	100,00
SECURIA majetkovosprávna a podielová s.r.o.	Slovakia	100,00
Senioren Residenz Fultererpark Errichtungs- und Verwaltungs GmbH	Austria	100,00
Senioren Residenz Veldidenapark Errichtungs- und Verwaltungs GmbH	Austria	66,70
SIA "Alauksta 13/15"	Latvia	100,00
SIA "Artilērijas 35"	Latvia	100,00
SIA "Ģertrūdes 121"	Latvia	100,00
SIA "Global Assistance Baltic"	Latvia	100,00
SIA "LiveOn"	Latvia	70,00
SIA "LiveOn Stirnu"	Latvia	100,00
SIA "LiveOn Terbatas"	Latvia	100,00
SIA "Urban Space"	Latvia	100,00
SIGMA INTERAlbanian VIENNA INSURANCE GROUP Sh.A.	Albania	89,05
SK BM s.r.o.	Slovakia	100,00
SMARDAN 5 DEVELOPMENT S.R.L.	Romania	100,00
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje - Vienna Insurance Group	Northern Macedonia	94,26
SVZ GmbH	Austria	100,00
SVZD GmbH	Austria	100,00
SVZI GmbH	Austria	100,00

Consolidated companies		
Company	Country	The current capital share in %
T 125 GmbH	Austria	100,00
TBI Bulgaria EAD in Liquidation	Bulgaria	100,00
TECHBASE Science Park Vienna GmbH	Austria	100,00
twinformatics GmbH	Austria	100,00
UAB LiveOn Linkmenu	Lithuania	100,00
UNION Vienna Insurance Group Biztosító Zrt.	Hungary	98,64
Untere Donaulände 40 GmbH & Co KG	Austria	100,00
Vienibas Gatve Investments OÜ	Estonia	100,00
Vienibas Gatve Properties SIA	Latvia	100,00
Vienna-Life Lebensversicherung AG Vienna Insurance Group	Lichtenstein	100,00
"Vienna Life Towarzystwo Ubezpieczeń na Życie S.A. Vienna Insurance Group"	Poland	100,00
VIG-AT Beteiligungen GmbH	Austria	100,00
VIG-CZ Real Estate GmbH	Austria	100,00
VIG FUND, a.s.	Czech Republic	100,00
VIG Home, s.r.o.	Slovakia	100,00
V.I.G. ND, a.s.	Czech Republic	100,00
VIG Offices, s.r.o.	Slovakia	100,00
VIG Properties Bulgaria AD	Bulgaria	99,97
VIG RE zajišťovna, a.s.	Czech Republic	100,00
VIG REAL ESTATE DOO	Serbia	100,00
VIG Services Ukraine, LLC	Ukraine	100,00
Virtus Sechzehn Beteiligungs GmbH	Austria	100,00
VITEC Vienna Information Technology Consulting GmbH	Austria	51,00
WGPV Holding GmbH	Austria	100,00
VIG Services Ukraine, LLC	Ukraine	100,00
Virtus Sechzehn Beteiligungs GmbH	Austria	100,00
VITEC Vienna Information Technology Consulting GmbH	Austria	51,00
WGPV Holding GmbH	Austria	100,00

Consolidated companies		
Company	Country	The current capital share in %
WIBG Holding GmbH & Co KG	Austria	100,00
WIBG Projektentwicklungs GmbH & Co KG	Austria	100,00
Wiener Osiguranje Vienna Insurance Group ad	Bosnia and Herzegovina	100,00
"Wiener osiguranje Vienna Insurance Group dioničko društvo za osiguranje"	Croatia	97,82
WIENER RE akcionarsko društvo za reosiguranje	Serbia	100,00
WIENER STÄDTISCHE OSIGURANJE akcionarsko društvo za osiguranje Beograd	Serbia	100,00
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group	Austria	97,75
WIENER TOWARZYSTWO UBEZPIECZEŃ SPÓŁKA AKCYJNA VIENNA INSURANCE GROUP	Poland	100,00
WIENER VEREIN BESTATTUNGS- UND VERSICHERUNGSSERVICE-GESELLSCHAFT M.B.H.	Austria	100,00
WILA GmbH	Austria	100,00
WINO GmbH	Austria	100,00
WNH Liegenschaftsbesitz GmbH	Austria	100,00
WSBV Beteiligungsverwaltung GmbH & Co KG	Austria	100,00
WSV Beta Immoholding GmbH	Austria	100,00
WSVA Liegenschaftsbesitz GmbH	Austria	100,00
WSVB Liegenschaftsbesitz GmbH	Austria	100,00
WSVC Liegenschaftsbesitz GmbH	Austria	100,00
WSV Immoholding GmbH	Austria	100,00
WSV Triesterstraße 91 Besitz GmbH & Co KG	Austria	100,00
WSV Vermögensverwaltung GmbH	Austria	100,00
WWG Beteiligungen GmbH	Austria	87,07



Companies consolidated using the equity method		
Company	Country	The current capital share in %
"Schwarzatal" Gemeinnützige Wohnungs- und Siedlungsanlagen-GmbH	Austria	100,00
Alpenländische Gemeinnützige WohnbauGmbH	Austria	94,84
Beteiligungs- und Immobilien GmbH	Austria	25,00
Beteiligungs- und Wohnungsanlagen GmbH	Austria	25,00
CROWN-WSF spol. s.r.o.	Czech Republic	30,00
EGW Erste gemeinnützige Wohnungsgesellschaft mbH	Austria	99,77
"ERSTE d.o.o. - za upravljanje obveznim i dobrovoljnim mirovinskim fondovima"	Croatia	25,30
Gemeinnützige Industrie-Wohnungsaktiengesellschaft	Austria	55,00
Gemeinnützige Mürz-Ybbs Siedlungsanlagen-GmbH	Austria	99,92
Gewista-Werbegesellschaft m.b.H.	Austria	33,00
"NEUE HEIMAT Oberösterreich Gemeinnützige Wohnungs- und SiedlungsgesmbH"	Austria	99,82
Neuland gemeinnützige Wohnbau-Gesellschaft m.b.H.	Austria	61,00
"Österreichisches Verkehrsbüro Aktiengesellschaft, Wien (Konzernabschluss)"	Austria	36,58
SOZIALBAU gemeinnützige Wohnungsaktiengesellschaft	Austria	54,17
Towarzystwo Ubezpieczeń Wzajemnych „TUW"	Poland	52,16
Urbanbau Gemeinnützige Bau-, Wohnungs- und Stadterneuerungsgesellschaft m.b.H.	Austria	51,46
VBV - Betriebliche Altersvorsorge AG (Konzernabschluss)	Austria	25,32

Unconsolidated companies		
Company	Country	The current capital share in %
"Assistance Company "Ukrainian Assistance Service" LLC	Ukraine	100,00
"Eisenhof" Gemeinnützige Wohnungsgesellschaft m.b.H.	Austria	20,13
"JAHORINA AUTO" d.o.o.	Bosnia and Herzegovina	100,00
"LifeTrust" Ltd	Bulgaria	100,00
"Neue Heimat" Stadterneuerungsgesellschaft m.b.H.	Austria	79,51
AB Modřice, a.s.	Czech Republic	97,28
AIS Servis, s.r.o.	Czech Republic	98,10
Akcionarsko društvo za životno osiguranje Wiener Städtische Podgorica, Vienna Insurance Group	Montenegro (Rep.)	100,00
ALBA Services GmbH	Austria	48,87
Amadi GmbH	Germany	100,00
AQUILA Hausmanagement GmbH	Austria	97,75
AREALIS Liegenschaftsmanagement GmbH	Austria	48,87
arithmetica Consulting GmbH	Austria	98,31
AUTODROM SOSNOVÁ u České Lípy a.s.	Czech Republic	97,28
AUTONOVA BRNO s.r.o.	Czech Republic	98,10
Autosig SRL	Romania	99,54
B&A Insurance Consulting s.r.o.	Czech Republic	48,45
BB Parking s.r.o.	Slovakia	98,47
BEESAFE SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Poland	99,99
Benefia Ubezpieczenia Spolka z ograniczona odpowiedzialnoscia	Poland	99,94
Bohemika a.s.	Czech Republic	100,00
Bohemika HYPO s.r.o.	Czech Republic	100,00
Bulstrad Trudova Meditzina EOOD	Bulgaria	100,00
Camelot Informatik und Consulting Gesellschaft m.b.H.	Austria	92,86
CARPLUS Versicherungsvermittlungsagentur GmbH	Austria	97,75
CLAIM EXPERT SERVICES S.R.L.	Romania	99,16
Compensa Dystrybucja Sp. z o. o.	Poland	99,97

Unconsolidated companies		
Company	Country	The current capital share in %
ČPP Servis, s.r.o.	Czech Republic	100,00
DBLV Immobesitz GmbH	Austria	100,00
DBR-Liegenschaften Verwaltungs GmbH	Germany	97,75
DELOIS s. r. o.	Slovakia	98,47
DELOIS II s.r.o.	Slovakia	98,47
DV Asset Management EAD	Bulgaria	100,00
DV CONSULTING EOOD	Bulgaria	100,00
DV Invest EAD	Bulgaria	100,00
EBS Wohnungsgesellschaft mbH Linz	Austria	24,44
EBV-Leasing Gesellschaft m.b.H.	Austria	47,90
EGW Datenverarbeitungs-Gesellschaft m.b.H.	Austria	71,92
EGW Liegenschaftsverwertungs GmbH	Austria	71,92
EGW-NOE Erste gemeinnützige Wohnungsgesellschaft mbH	Austria	71,92
EKG UW Nord GmbH	Austria	24,46
Első Maganegeszsegügyi Halozat Zrt.	Hungary	48,33
ERSTE Biztosítási Alkusz Kft	Hungary	98,64
European Insurance & Reinsurance Brokers Ltd.	United Kingdom	100,00
EXPERTA Schadenregulierungs-Gesellschaft mbH	Austria	99,44
Finanzpartner GmbH	Austria	48,87
FinServis Plus, s.r.o.	Czech Republic	100,00
Foreign limited liability company "InterInvestUchastie"	Belarus	100,00
GELUP GmbH	Austria	32,58
GGVier Projekt-GmbH	Austria	53,76
Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG	Austria	42,76
Global Assistance Georgia LLC	Georgia	95,00
Global Assistance Polska Sp.z.o.o.	Poland	99,99
GLOBAL ASSISTANCE SERVICES s.r.o.	Czech Republic	100,00
GLOBAL ASSISTANCE SERVICES SRL	Romania	99,23

Unconsolidated companies		
Company	Country	The current capital share in %
GLOBAL ASSISTANCE Slovakia s.r.o.	Slovakia	99,22
Global Expert, s.r.o.	Czech Republic	98,10
Global Partner Zdraví, s.r.o.	Czech Republic	63,23
Global Partner, a.s.	Czech Republic	63,23
Global Repair Centres, s.r.o.	Czech Republic	98,10
Global Services Bulgaria JSC	Bulgaria	100,00
Hausservice Objektbewirtschaftungs GmbH	Austria	20,72
HOTELY SRNÍ, a.s.	Czech Republic	97,28
Hotel Voltino in Liquidation	Croatia	97,82
HORIZONT Personal-, Team- und Organisationsentwicklung GmbH	Austria	98,29
Immodat GmbH	Austria	20,72
IMOVE Immobilienverwertung- und -verwaltungs GmbH	Austria	20,72
INSHIFT GmbH & Co. KG	Germany	23,53
InterRisk Informatik GmbH	Germany	100,00
ITIS Spolka z ograniczoną odpowiedzialnością spolka komandytowa	Poland	99,99
ITIS Sp.z.o.o.	Poland	98,03
Joint Stock Company "Curatio"	Georgia	90,00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group	Northern Macedonia	100,00
Kitzbüheler Bestattung WV GmbH	Austria	97,75
KUPALA Belarusian- Austrian Closed Joint Stock Insurance Company	Belarus	98,26
KWC Campus Errichtungsgesellschaft m.b.H.	Austria	48,87
LD Vermögensverwaltung GmbH	Austria	98,65
Lead Equities II. Auslandsbeteiligungs AG	Austria	21,59
Lead Equities II.Private Equity Mittelstandsfinanzierungs AG	Austria	21,59
LiSciV Muthgasse GmbH & Co KG	Austria	42,76
Main Point Karlín II., a.s.	Czech Republic	97,28
Money & More Pénzügyi Tanácsadó Zártkörűen Működő Részvénytársaság	Hungary	98,64
Nadácia poisťovne KOOPERATIVA	Slovakia	98,47

Unconsolidated companies		
Company	Country	The current capital share in %
NID Projektentwicklung GmbH	Austria	100,00
Nordbahnhof Projekt EPW8 GmbH & Co KG	Austria	97,75
Nordbahnhof Projekt EPW8 Komplementär GmbH	Austria	97,75
Nordbahnhof Projekt Taborstraße 123 GmbH & Co KG	Austria	100,00
Nordbahnhof Projekt Taborstraße 123 Komplementär GmbH	Austria	100,00
PFG Liegenschaftsbewirtschaftungs GmbH	Austria	73,69
POLISA - ŻYCIE Ubezpieczenia Sp.z.o.o.	Poland	99,97
Pražská softwarová s.r.o	Czech Republic	98,10
Privat Joint-Stock Company "OWN SERVICE"	Ukraine	100,00
Projektbau Planung Projektmanagement Bauleitung GesmbH	Austria	54,51
Quadrant Q ZWÖLF Projektentwicklungs GmbH	Austria	97,75
Renaissance Hotel Realbesitz GmbH	Austria	40,00
Risk Consult Bulgaria EOOD	Bulgaria	51,00
Risk Consult Polska Sp.z.o.o.	Poland	68,15
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H.	Austria	51,00
Risk Expert Risk ve Hasar Danismanlik Hizmetleri Limited Sirketi	Turkey	64,19
Risk Experts Risiko Engineering GmbH	Austria	12,24
Risk Experts s.r.o.	Slovakia	51,00
Risk Logics Risikoberatung GmbH	Austria	51,00
samavu s.r.o	Slovakia	98,47
Sanatorium Astoria, a.s.	Czech Republic	97,28
SB Liegenschaftsverwertungs GmbH	Austria	40,26
S.C. CLUB A.RO S.R.L.	Romania	99,79
S.C. Risk Consult & Engineering Romania S.R.L.	Romania	51,00
S. C. SOCIETATEA TRAINING IN ASIGURARI S.R.L.	Romania	99,16
serviceline contact center dienstleistungs-gmbh	Austria	97,75
S.O.S.- EXPERT d.o.o. za poslovanje nekretninama	Croatia	100,00
Senioren Residenzen gemeinnützige Betriebsgesellschaft mbH	Austria	97,75

Unconsolidated companies		
Company	Country	The current capital share in %
Slovaexperta, s.r.o.	Slovakia	98,70
Soleta Beteiligungsverwaltungs GmbH	Austria	42,76
Sparkassen-Versicherungsservice Gesellschaft m.b.H.	Austria	97,75
Spółdzielnia Usługowa VIG EKSPERT W WARSZAWIE	Poland	99,97
SURPMO, a.s.	Czech Republic	97,28
TAUROS Capital Investment GmbH & Co KG	Austria	19,55
TAUROS Capital Management GmbH	Austria	25,30
TBI Info AD	Bulgaria	20,00
TeleDoc Holding GmbH	Austria	25,01
TGMZ Team Gesund Medizin Zentren GmbH	Austria	39,10
TOGETHER CCA GmbH	Austria	24,71
twinfaktor GmbH	Austria	98,87
UAB "Compensa Life Distribution"	Lithuania	100,00
UNION-Erted Ellatasszervező Korlatolt Felelőségi Társaság	Hungary	98,64
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H.	Austria	47,90
Vienna Insurance Group Polska Spółka z ograniczoną odpowiedzialnością	Poland	99,99
Vienna International Underwriters GmbH	Austria	100,00
viesure innovation center GmbH	Austria	98,87
VIG AM Real Estate, a.s.	Czech Republic	100,00
VIG AM Services GmbH	Austria	100,00
VIG Management Service SRL	Romania	99,16
VIG POLSKA REAL ESTATE SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Poland	99,97
VIG Services Bulgaria EOOD	Bulgaria	100,00
VIG Services Shqiperi Sh.p.K.	Albania	89,52
VIG ZP, s. r. o.	Slovakia	99,22
VIG/C-QUADRAT Towarzystwo Funduszy Inwestycyjnych SPÓŁKA AKCYJNA	Poland	50,99

Unconsolidated companies		
Company	Country	The current capital share in %
VIVECA Beteiligungen GmbH	Austria	100,00
VÖB Direkt Versicherungsagentur GmbH	Austria	48,87
WAG Wohnungsanlagen Gesellschaft m.b.H.	Austria	24,44
Wien 3420 Aspern Development AG	Austria	23,92
Wiener Städtische Donau Leasing GmbH	Austria	97,75
Wiener Verein Bestattungsbetriebe GmbH	Austria	97,75
WOFIN Wohnungsfinanzierungs GmbH	Austria	20,72
WSBV Beteiligungsverwaltung GmbH	Austria	97,75
zuuri s.r.o.	Slovakia	98,47

The background is a vibrant blue gradient with various shades from light cyan to deep navy. It features several overlapping geometric shapes, including triangles and rectangles, some of which are semi-transparent. Horizontal white light streaks of varying lengths and thicknesses are scattered across the image, creating a sense of motion and depth. The overall aesthetic is modern and technological.

NON-FINANCIAL PART

# NON-FINANCIAL PART

## 1. Company development

Despite the COVID-19 crisis, ČPP was among the fastest growing of the TOP 10 Czech insurance companies in 2021. With a market share of 8.1% ČPP strengthened its position as the fifth largest insurance company in the Czech Republic. ČPP's operations in the Czech insurance market are successful primarily owing to the quality of provided services, the intensive development of relations with clients, business partners and the public, regular product innovations, and the use of advanced digital processes and technologies including online sales.

## 2. Research and development

In its research and development activities, ČPP focuses on the area closest to its business, i.e., the provision of insurance services. Its activities are directed mainly on the development of information and communication technologies and on projects focusing on the digitalisation of insurance processes. The outcomes of research and development are then used in contracting, administration and claims settlement. Apart from higher process efficiency and cost cutting, the digitalisation of what used to be a paper-based administration also contributes to us being more environmental-friendly.

## 3. Environmental protection and labour relations

An environment-friendly approach and protection of natural resources are underlying values of the ČPP's corporate culture. Thanks to intensive digitalisation and the introduction of electronic communication with clients, paper consumption has been significantly reduced. ČPP encourages its employees to adhere to the principles of environmental-friendly behaviour. We focus on our clients' and employees' satisfaction and needs, as well as on ethical behaviours, responsibility, environmental protection, innovation and charity. Long-term prosperity

itself does not make us an attractive employer, as younger generations also demand innovation, digitalisation, personal development, and a favourable work-life balance. During the pandemic wave, ČPP allowed work from home and adopted many measures to protect employee health. We also provided disinfectants at the workplace, and distributed face masks and antigen tests.

## 4. Foreign branches

ČPP has no foreign branches.

## 5. Acquisition of own shares or ownership interests

ČPP did not acquire any of its own shares or ownership interests.

## 6. Other requirements set out by special legal regulations

ČPP meets the requirements applicable to its business activity, i.e., insurance. Insurance is regulated by the Act on Insurance and the Act on Insurance Intermediaries and Independent Loss Adjusters. No other special requirements have been set for the company's activity.

More detailed information on ČPP's corporate social responsibility and sustainability strategy are published on ČPP's website [www.cpp.cz](http://www.cpp.cz) in the section on corporate responsibility.

**Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group**

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