

*Hungarian Insurers'
Yearbook*

20
21



MABISZ
Magyar Biztosítók Szövetsége

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Presidential Address

Progression

If someone had said in the first days of June this year that the Hungarian national football team would be (twice) only six minutes away from progressing from the European Championship's group of death, most people would have probably laughed. If someone had told us last spring, at the time of the first worldwide closure caused by the coronavirus pandemic, that the insurance sector in Hungary would have a record year despite the pandemic, and that premium income excluding branches would exceed HUF 1,200 billion, most insurance professionals would have laughed.

Yet the Hungarian national team has shown a development over the last two or three years that has shown that it is capable of much more: the processes have been streamlined, the new tactical line-up has provided the right response to the challenges of the times, and the unity of the team has been demonstrated by the fact that Dominik Szoboszlai, one of its most influential players, has been replaced. However, the insurance sector has made progress in the last two or three years that has shown that it is capable of much more: we have streamlined our development processes and responded appropriately to challenges, especially from a regulatory perspective. And the unity of the industry, the fact that the whole product mix is now a driving force for development, rather than just a few products, was demonstrated by the fact that the market was able to make up for the loss of one of the former dominant players, travel insurance.

Unlike the national football team, I believe that the insurance industry has progressed from the pandemic group of death, but it has taken a lot of work. In itself, it would have been enough to console ourselves with the idea that, in times of serious trouble, people change their mindset and try to choose safety solutions, even if only at the last minute, to prepare for the risks. Indeed, people would hardly have had the opportunity to do so during the pandemic shutdown if the industry had not done everything possible in previous years to ensure that back-office processes were almost entirely digitised. I think that the fact that insurers have been able to change their business processes in no time at all, and have therefore been able to move from the back office to the front line and focus on digital services, is a powerful response to the criticisms - which I believe are unfounded - that have been made in recent years about the sector's digital readiness. It is important to underline that the digital developments we have implemented in a matter of moments have not only allowed us to maintain a high level of service to our customers, but also to create a safe working environment for our staff.



Success does not need to be explained, as the saying goes, but I think that in this case it is right to say that the success of the sector can be attributed to a number of factors. The firstly we must thank our customers, who, unlike in previous crises, have stuck with their policies throughout, with the number of cancellations being minimal. Thanks are also due to customers for having sought out new contracting opportunities themselves, for being open to new solutions and for cooperating with insurers despite the difficulties caused by restrictive measures.

It should also be noted that the uncertainties caused by the coronavirus have significantly increased the demand for insurance in some areas. However, it is also important to be honest here about the fact that, unlike other crises, the pandemic and its accompanying measures have brought about a whole new set of attitudes and patterns. The closure of shops have shrunk consumption and the credit moratorium has left families and businesses with serious sums of money. Fortunately, the majority of society has not, or only temporarily, faced the problems caused by the crisis. As a result, unspent funds have found new opportunities, within which insurers did particularly well. At the end of the first quarter of 2021, insurance technical reserves in household financial assets amounted to HUF 5,107 billion, an increase of 15.4% in one year. As a result, for the first time in a long time, the share of insurance in household financial assets increased substantially: from 8.6% in spring 2020 to 9% percent.

The main challenge for the period ahead will be to maintain this positive trend. There is every hope for that. The first quarter of this year again shows a very good growth rate of 7.1% in a period of restrictions. Property insurance also grew at a fantastic rate in the first quarter of this year, with corporate property insurance premiums up by 17% and retail up by 7%.

There is still plenty of room for improvement. At the end of last year, the premium income of Hungarian insurers amounted to 2.53% of GDP, which is still far below the EU average, despite the outstanding growth, and serious steps are needed to reach the 3% target for 2026 set by the National Bank of Hungary in its 10-year vision. This level would promise progression for the insurance sector.

Anett Pandurics
president

Address by the General Secretary



Certainty in uncertainty

Psychologists see it as an understandable consequence of the Covid 19 epidemic that people, when faced with unexpected, unpredictable change, do everything they can to reduce the resulting uncertainty and regain a sense of control. One grotesque symptom of this, for example, has been the worldwide panic hoarding of toilet paper. But of course, much more profound processes can be triggered by the increased value of security and the need to disperse risks as much as possible. This may partly explain the recent boom in the insurance sector last year.

In any case, the asymmetric crisis, unlike before, has brought some sectors to the forefront while pushing others down. Insurance has been one of the winners, thanks in particular to the persistence and growing confidence of customers. Of course, the persistent efforts of the sector's employees, their creativity, their rapid and flexible adaptation to the situation, and their achievement of a level of digitalisation in the industry that was previously expected only in the years to come, can and should be duly recognised. All of these are essential ingredients for the further growth of 4.8% experiences compared to the 2019 peak. But to be sufficient as well as necessary, these efforts need to be appreciated and validated by the host environment.

Our association continues to gauge the public opinion and satisfaction with the sector and confidence in insurance going back to 2015. These are important business indicators, as we should remember that after the 2008 crisis, credibility went down along with premium income, and it took years of persistent work to see a noticeable and lasting turnaround. Now, according to the representative survey, last year's crisis has barely dented the persistent upward climb of the insurance confidence index, BIBIX, which has already reached an all-time high of 82.5% this spring.

Both credibility and the search for safety may have contributed to last year's strong growth in insurance-type long-term savings amid the crisis, owing to which the long declining share of life insurance reserves in household financial assets has finally started to increase slightly. This is not just a commercial success, but also in the social interest. This is why MABISZ attaches great importance to getting more people to start taking care of themselves as early as possible and to be aware of the possible forms of self-care. This is what our Young Generation Strategy is all about, spreading financial literacy among teenagers and young adults, through comics, online games, case study competitions and the organisation of the Week of Security, which, as of this year, has become an international event. In just a few years, these tools have already reached hundreds of thousands of young schoolchildren, secondary school students and twenty-somethings, in person or online. It is perhaps reasonable to hope that years of systematic work will at some point contribute to a further increase in life insurance reserves.

And, like the E-Claim Report, it will help customers not only to notice an increase in premiums in the mandatory motor third party liability insurance market, but also to recognise the rise in the quality of the service. This free comfort service, coordinated and operated by MABISZ, has already been used by almost 10,000 people since its launch two years ago. And thanks to continuous development and functional expansion, the process of settling claims for accidents without personal injury has continued to accelerate, even in the midst of epidemic measures. We hope that, as time goes on, more and more people will appreciate and, if necessary, use a digital solution to help them resolve stressful situations as quickly as possible, instead of paper-based methods.

In a broader perspective, the E-Claim Report is a symbol of the direction in which the insurance industry should be heading: towards the expanding of services, early identification of customer needs and meeting them as fully as possible. Paradoxically, this is also illustrated by what happened last year in the travel insurance market. This product group is the big loser of the crisis: while the sector as a whole has soared, premium income here has fallen by almost a third compared to the previous year. Companies have typically responded to this situation not by scaling back and withdrawing, but by taking on more risk and changing the terms and conditions to the benefit of customers. There is therefore realistic hope that many people, who previously considered it a waste of money, will buy travel insurance this year.

After all, if there is one certainty in a world of seemingly constant uncertainty, plagued by the threat of epidemics, climate change and a host of unpredictable variables, it is the need for change. According to the above mentioned psychologists, if the changes in our environment are slow and gradual, they will not lead us to change our behaviour suddenly and we will stick to what we think is the old, tried and tested way of doing things. Even if it only makes things worse. Like a frog in a pot that doesn't feel threatened if we slowly start to heat the water under it. In this respect, Covid 19, the shock of sudden change, can be a good lesson. You have to jump before it's too late

Dániel Molnos
general secretary

Status and performance of the Hungarian economy in 2020

Similarly to global trends, the Hungarian economy also slowed down in 2020: GDP shrunk by around 5 per cent. Among the Visegrád countries, only Poland experienced a smaller economic downturn (-2.7 per cent), while Slovakia and the Czech Republic recorded -5.2 per cent and -5.6 per cent respectively. The recession in the European Union was 6.1 per cent.

Last year, no sector of the economy was able to contribute to economic growth in terms of production: with agriculture (6.8 per cent), industry (4.9 per cent), construction (9.4 per cent) and services (4.7 per cent) all seeing declines. Within services, accommodation and food services suffered the largest decline (32.2 per cent), followed by transportation and warehousing (16.3 per cent). The only sectors to grow in the past year were trade and vehicle repair (1.2 per cent), information and communication (6.1 per cent) and financial and insurance activities (3.4 per cent).

In terms of consumption, household consumption expenditure was 2.5 per cent lower than in 2019. The volume of gross fixed capital formation fell by 7.3 per cent, while that of community consumption increased by 2.8 per cent year-on-year. Exports fell by 6.8 per cent and imports by 4.4 per cent in 2020. Services fell sharply in both trade sectors: by 24.0 per cent for exports and 15.4 per cent for imports. For products, exports fell by 1.8 per cent and imports by 2.2 per cent.

The number of employed persons in the 15-74 age range fell by 41.4 thousand to 4 million 603.2 thousand in 2020, with the employment rate declining by 0.5 percentage points to 62.1 per cent. Last year, the number of unemployed increased by 38.7 thousand to 197.6 thousand, while their share increased by 0.8 percentage points to 4.1 per cent. Average net earnings rose by 9.7 per cent to HUF 268,405, an increase of 6.2 per cent when the effects of inflation are taken into account.

In 2020, consumer prices in Hungary rose by 3.3 per cent, while core inflation was 4.1 per cent. Within this, the price of food increased by 7.2 per cent and the price of spirits and tobacco rose by 6.9 per cent. Services rose by 2.9 per cent, consumer durables by 1.4 per cent, while the prices of investment goods remained unchanged and the prices of other goods and fuels fell by 0.9 per cent compared to 2019.

The HUF continued to weaken against the major currencies in 2020 as well. The EUR exchange rate fluctuated between HUF 329.45 and 369.03 during the year. It reached its lowest value on 3 January and its highest on 29 October. Overall, the average exchange rate for the EUR over the past year was HUF 351.17, compared with 325.35 in 2019.

In the past year, none of the three major credit rating agencies has changed their debt rating for Hungary: Moody's Corporation has a positive outlook of Baa3, Standard & Poor's (S&P) has a stable outlook of BBB, while Fitch Ratings also has a stable outlook of BBB. Moody's changed its outlook on 25 September, while S&P first upgraded Hungary's sovereign debt rating to positive in February, before changing it to stable on 28 April due to the negative economic impact of the coronavirus outbreak.

The central subsystem of the State Budget has reached a deficit of HUF 5,548.6 billion in 2020. This was driven by a deficit of HUF 4,953.5 billion in the central budget and HUF 641.8 billion in social insurance funds, as well as a surplus of HUF 46.7 billion in extra-budgetary funds. The central budget deficit was more than five times higher than in 2019 and around fourteen times higher than planned. The social insurance funds accumulated a deficit almost three times as large, while the surplus of the extra-budgetary funds exceeded the 2019 outturn by 18.2 per cent. Taking all this into account, Hungary's deficit as a share of GDP reached 8.1 per

cent of GDP, well above the 2.1 per cent of 2019. As a result, the debt-to-GDP ratio increased from 65.5 per cent to 80.4 per cent in 2020.

The cumulative central budget revenue increased by 7.0 per cent compared to the 2019 outturn. In 2020, payments from economic operators increased by 13.9 per cent, amounts received from consumption-related taxes by 2.1 per cent, and payments from the general public by 4.8 per cent compared to 2019. The increase in payments by economic operators was mainly driven by a 34.0 per cent rise in received corporate tax amounts. For taxes linked to consumption, the increase was driven by a 3.0 per cent rise in received value added tax amounts, while the 4.3 per cent rise in amounts from personal income tax was the main driver of the increase in payments by households. Revenue from EU projects amounted to HUF 1,681.1 billion, while related expenditure amounted to HUF 2,025.4 billion.

Contrary to 2020, economic growth is likely to resume in 2021. Industrial production started to grow again in the first half of this year, up 16.5 per cent year-on-year in March, while in April it jumped by

58.8 per cent and in May by 39.1 per cent. The level of household consumption is determined not only by income developments, but also by the public's fear of new restrictions. However, once restrictions are lifted, some of the savings will be recycled

Household savings

According to the data of the National Bank of Hungary, the net financial wealth of the Hungarian population amounted to HUF 55.3 trillion in 2020, 9.1% higher than in the previous year. Within the financial assets of households, cash and deposits amounted to HUF 18.1 trillion by the end of the year, which is 9.6 per cent more than the value of the same assets in the previous year. Within this, HUF cash increased by 12.9 per cent and current account deposits by 23.3 per cent compared to 2018. The stock of retail government securities amounted to HUF 9.4 trillion. This represents an increase of 12.7 per cent compared to 2018. There was a significant change in the ratio of short- and long-term government securities: the stock of long-term securities increased by 29.3 per cent, while the stock of short-term government securities fell by 37.2 per cent. Thus, the share of long-term securities

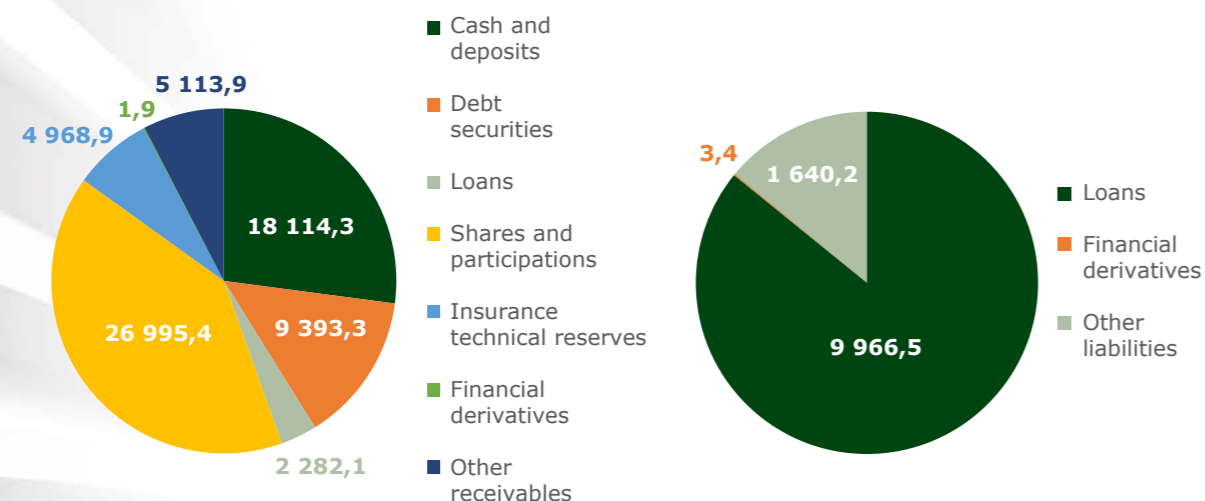
National economy and insurance

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross domestic product*(GDP) (HUF bln)	27 225	28 305	28 781	30 247	32 592	34 324	35 420	38 813	40 715	42 547	40 420
Gross insurance premium revenue (HUF bln)	843,8	817,3	768,1	809,4	850,2	869,2	918,9	989,6	1 035,1	1 167,8	1 235,3
Change in gross insurance premium revenue as a percentage of the previous year (%)	101,6	96,9	94,0	105,4	105,0	102,2	105,7	107,7	104,6	112,8	105,8
Per capita insurance premium (HUF)	84 379	81 963	77 635	81 814	86 167	88 303	93 544	101 101	105 888	119 514	126 691
Per capita life insurance premium (HUF)	44 247	44 079	40 249	43 739	45 921	45 309	46 372	48 711	48 248	52 321	56 298
Per capita non-life-insurance premium (HUF)	40 131	37 884	37 386	38 075	40 246	42 995	47 172	52 391	57 640	67 193	70 393

Source: CSO

* Mid-year population CSO Data, population average of 01.01.2019 and 01.01.2020 in thousands of persons

breakdown of the financial assets (left) and liabilities (right) of the households (HUF bln)



Source: MNB

in the total stock of retail government securities was 86.1 per cent in 2020. Within the financial assets the share of equities and participations was up by 6.8 per cent compared to 2019, and stood at HUF 26,995.4 billion. The value of listed shares held by households was HUF 1.2 trillion in 2020, 24.4 per cent higher than in the previous year. In addition, non-listed shares, other equity participations and investment units also increased, by 9.3, 5.3 and 7.9 per cent respectively. Insurance technical reserves increased by 8.7 per cent, bringing the total stock value to HUF 4.9 billion. Within this, non-life insurance premium reserves increased by 1.0 per cent, while life insurance premium reserves, pension fund premium reserves and standardised guarantees increased by 7.0 per cent, 7.1 per cent and 133.0 per cent respectively.

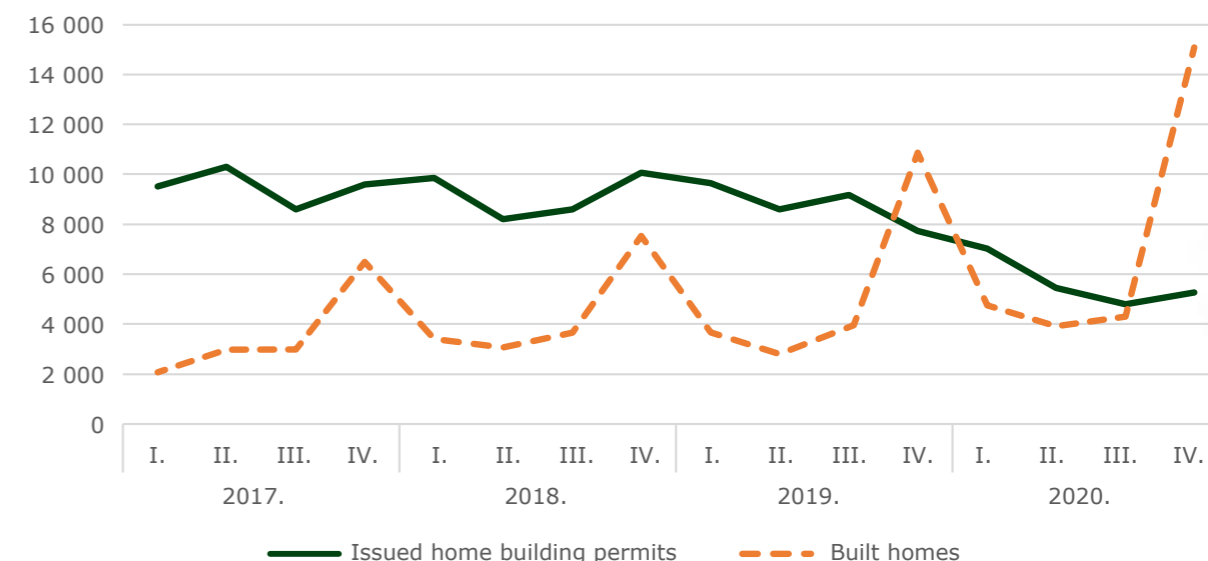
The liabilities increased by 12.1 per cent to HUF 11.6 trillion compared to 2019. Within this, loans increased by 14.0 per cent to HUF 9.9 trillion. The short-term loans decreased by 2.1 per cent to HUF

1.0 trillion, while long-term loans increased by 14.0 per cent to HUF 9.9 trillion. Other debt increased by 1.4% to HUF 1.6 trillion.

Construction industry and real estate market

The domestic construction industry has fallen by more than the national economy average, mainly due to the fading government orders and the coronavirus outbreak in the spring. In 2020, the volume of construction industry output was 9.1 per cent lower than in the previous year. Within this, the building construction sub-sector showed a decrease of 10.6 per cent, the construction of other structures sector decreased by 15.8 per cent, and the volume of special construction dropped by 3.5 per cent. Despite this, the number of people employed in the construction sector continued to grow, in line with the trends of the previous year, with a total of 361.6 thousand people working in the sector in 2020, an increase

Home construction (unit)



Source: CSO

of 4.9 per cent compared to the previous year. The number of homes built also increased last year, by 33.5 per cent. This represents a total of 28,208 new homes. The number of new home building permits issued was 22,556, down 35.8 per cent from 2019.

Overall, home construction expenses increased by 10.9 per cent compared to 2019, of which labour costs increased by 9.9 per cent and material costs by 11.1 per cent. According to the CSO data, the price of second-hand homes increased by 3.4 per cent and that of new homes increased by 11.0 per cent compared to 2019, assuming the same quality composition (net price change). The average price per square metre of new homes rose from HUF 505,000 in 2019 to HUF 582,000 in 2020. Significant regional differences can be observed in prices: in 2020, the average price per square metre of a new home in Budapest was HUF 775 thousand, while in county seats it was around HUF 454 thousand, in cities HUF 467 thousand and in villages HUF 416

thousand. The growth of Hungarian housing market prices remained above the EU average.

The number of transactions in the new housing market continued to fall, by around 44.8 per cent nationwide. Across all types of settlements, the number of transactions gradually decreased in 2020 compared to the same period of the previous year and also compared to the previous period.

Legal environment

In the latest phase of insurance regulation, the main focus is on consumer protection. The legislator intends to achieve this mainly through an increase in the information obligations imposed on service providers. From a contracting perspective, however, digitalisation and the general acceleration of the pace of life also make it increasingly important to allocate valuable time properly, i.e. to reduce rather than increase the time taken to con-

clude a contract, and to simplify rather than complicate administration.

The operation of insurance companies and the sale of insurance is fundamentally determined by the legal environment. Changes in this are ideally well prepared and there is adequate lead time to adapt to the changes, to learn about new/changing regulations and to prepare for implementation. However, changes in the regulatory environment have become fairly stable, and the related information obligations are increasing, while synthesis and streamlining are still to come.

A fundamental trend is that the vast majority of rules are now being made internationally, within the legislative system of the European Union. A related trend is that EU rules in the financial sector are increasingly taking the form of directly applicable regulations rather than directives, the minimum harmonisation solution.

Unfortunately, the legislative process at EU level is invariably prolonged, which in many cases has led to a drastic reduction in the time needed to prepare for the application of the law, due to the fixed schedules. A new positive phenomenon, for which MABISZ and Insurance Europe have previously done a lot of work with legislators' representatives, is that for some legislation the preparation period for application started after the drafting of the implementing rules.

Uniform European Union regulation continues to affect the life insurance sector in a dominant way. Preparations for the application of the new Sustainable Finance Package have already started in 2020, with the first phase of the new legislation applying from March 2021 and detailed compliance starting from 2022. The European legislator hopes that the new regulations will help customers who buy investment products to make more informed choices about investment options, taking into account sustainability considerations. This will

require financial service providers to transparently demonstrate the sustainability rating of the economic activities behind investment products. The new regulation essentially aims to achieve this, but it is a major challenge not only for insurers but for the financial services sector as a whole.

However, EU legislative activity does not stop there. The amendment of the PRIIPs Regulation, which will revise the Key Information Document (KID), applicable since 2018 and providing information on investment products in a standardised way, was initiated in 2020 and is expected to be finalised in 2021, taking into account the experience gained so far. A revision of the EU Insurance Distribution Directive (IDD) is also in the pipeline, which, as usual, will pay particular attention to the sale of life insurance combined with investment.

In terms of domestic legislation, it is worth noting that, according to Wolters Kluwer's Law Library¹, 2020 resulted in an exceptional amount of legislation being drafted: In 2020, a total of 1,367 new pieces of legislation (laws, governmental, ministerial or other regulations) were published, which is one and a half times the 2019 figure and exceeds the peak figure of 2015.

However, the predominance of EU legislation in the financial sector is also reflected in the fact that the Ministry of Finance was one of the less active ministries in terms of regulation, with 24 regulations.

In a number of areas, legislation is complemented and further developed by the multifaceted and diversified activities of the NBH, which supervises financial institutions. Among these, the concept of Certified Consumer-Friendly Home Insurance, which was in its preparatory phase in 2019 and introduced in 2020, is worth highlighting, the effects of which will be felt in the coming years.

¹ <https://jogaszvilag.hu/szakma/a-rendeleti-szabalyozas-es-a-sok-de-rovidebb-jogszabalyok-uraltak-2020-at/>

In 2020, the situation caused by the coronavirus had an impact on everything. It affected insurers as providers, employers, service users and, of course, as subjects of the related regulatory legislation. Insurers in Hungary coped successfully with this challenge and kept their processes running during the emergency.

Self-regulation

Alongside legislation, the self-regulatory function of the sector has a vital role to play, complementing legislation in a flexible and useful way in those areas where it is possible to do so.

The aim of self-regulation is typically to establish and maintain good practices that are as simple, understandable, transparent and as far as possible free of abuse, based on the interests of customers and insurers.

In the context of self-regulation in the insurance sector, it is worth highlighting the Annual Cost Rate for savings-type life insurance, which has been operated by the Association as market self-regulation since 2010 and is now regulated by law and by NBH Presidential Decree. The Federal ACR Charter has been maintained for those issues that are not regulated by law (ACR Committee, audit, customer information requirements). The ACR values are also continuously published, maintained and monitored by MABISZ. The audit conducted every year reinforces the confidence in the industry.

The Premium Navigator, MABISZ's information tool for consumer protection, continues to provide a reliable service to customers seeking full information on the current level of compulsory mandatory motor third party liability insurance premiums. Thanks to the member insurers, MABISZ is able to operate this federal instrument in a reliable way and with all premium discounts, which, in addition to providing objective information to operators of vehicles, also offers a credible point of comparison and

control for all market players, including consumers and intermediaries.

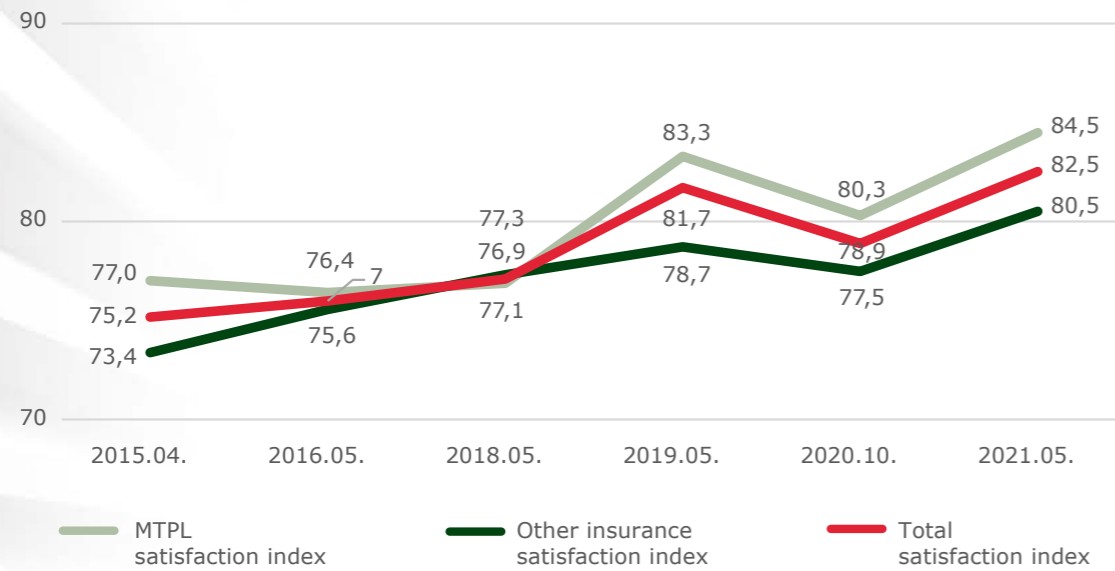
Insurance Intermediary Referral System: the self-regulatory referral system for natural person insurance intermediaries, established in 2012 as a self-regulatory reference system for sales and insurance intermediation, continues to self-regulate and promote the long-term survival of insurance intermediaries with a good track record in the insurance market, acting in the interest of their customers.

Trust, satisfaction - ICI

Századvég has been conducting opinion polls on behalf of MABISZ since 2015 in order to monitor the opinions of the general public and the customers of Hungarian insurers. This year's opinion poll took place in April-May. 800 randomly selected Hungarian adults were interviewed by telephone (CATI). The composition of the sample corresponds to the proportions of the Hungarian adult population according to the most important socio-demographic factors (gender, age, education, type of settlement). In addition to the questionnaire survey, 4 online focus groups were conducted with 6 participants each. 2 groups were conducted in Budapest, 1 in Székesfehérvár and 1 in Miskolc. The duration of the groups was 90 minutes. As in previous research, the focus of the survey was on the public's trust in insurers and their satisfaction with the types of insurance they know and use.

The Insurance Confidence Index (ICI) measures, on a scale of 0 to 100, the satisfaction of people with insurance with the way their insurer handles and communicates with them and, in the event of a claim, the way in which the claim is settled. The overall satisfaction index is derived by averaging the MTPL satisfaction index and the satisfaction index for other (non-motor) insurance, based on the ratings (on a four-point scale) of policyholders with relevant experience. This year has seen an increase in the ICI overall satisfaction

Satisfaction index



Source: Századvég (2021), total sample n=800

index, with the score rising from 78.9 points in October 2020 to 82.5 points.

Compared to last October's results, public confidence in insurers has also increased, as this year 65 per cent said they have confidence in insurers, bringing the level of confidence in insurers close to that of banks. The scores for indicators measuring satisfaction with insurance showed an increase compared to both the October 2020 results, which showed a decline, and the 2019 scores. According to the values of the satisfaction index broken down by insurance type, respondents were most satisfied with accident insurance and MTPL.

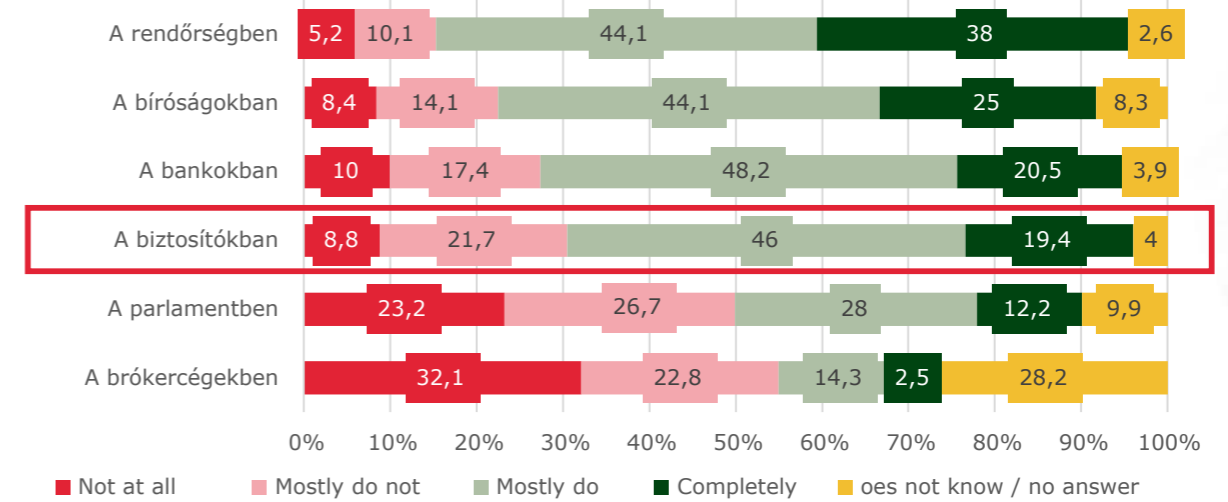
It is conceivable that the increase in confidence is linked to the epidemic situation. In such a severe crisis, there is good reason to believe that security as a value is being appreciated by many, which

could have had an indirect positive impact on the image of insurers.

During the focus group interviews, insurance was seen by the respondents as a way of protecting assets and mitigating and preventing damage. Even if they have never had to use insurance before, it gives them security. Dissatisfaction was mainly reported by those who had had previous negative experiences of claims settlements with insurers. Claims settlement experience is therefore a significant determinant of satisfaction with own insurers, as shown by the focus group interviews. Among the general population, home and property insurance is the most well-known, followed by life insurance and mandatory motor third party liability insurance.

The survey results show that nearly three quarters of the Hungarian population have home insur-

How much confidence do you have in the following?



Source: Századvég (2021), total sample n=800

ance, 68 per cent have mandatory motor third party liability insurance and 53 per cent have life insurance. Among those without home insurance, the reasons provided were that they do not own their own property and that insurance is too expensive for them. The main criterion for choosing MTPL was the affordability of the insurance package, while for other insurance products a more in-depth analysis of value for money and a comparison of the services offered by different insurers was observed. In some cases, borrowing also influenced the purchase of insurance; either it was a condition for borrowing, or it was offered alongside it and that is why the respondent chose the given insurance.

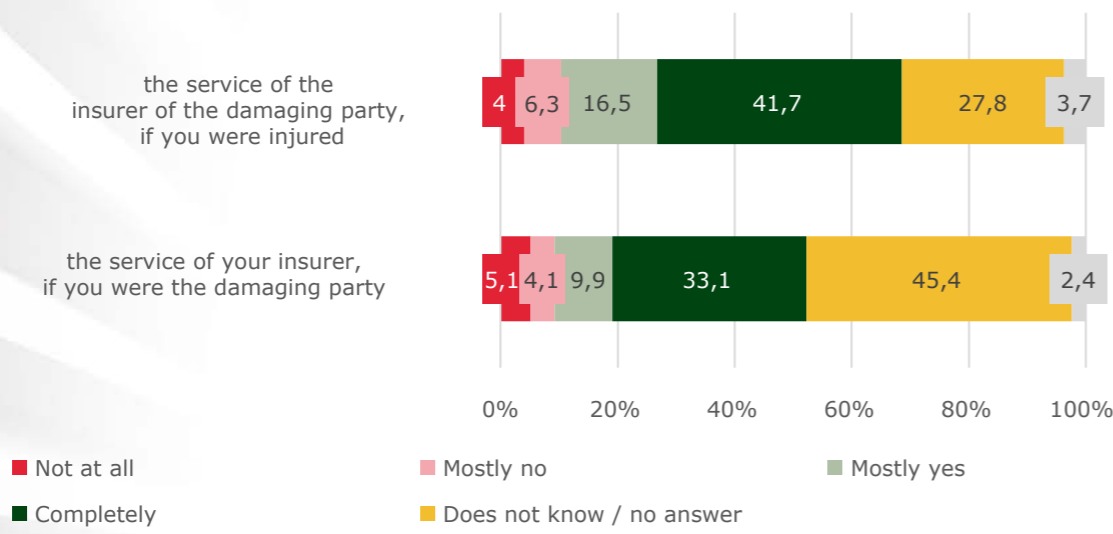
CASCO, MTPL

66 per cent of respondents own a car, 31 per cent of cars are less than 10 years old, 52 per cent

are less than 20 years old and 11 per cent are older than 20 years old. For those without CASCO, the reasons given were that they have a car that is too old and that the cost of insurance would be too high. The majority of respondents who have mandatory motor insurance and/or CASCO are satisfied with the terms and conditions of their mandatory motor third party liability insurance and the method of communication, which can also be said for other types of insurance. 83 per cent are satisfied with the procedure and 88 per cent are satisfied with the method of communication of MTPL insurance policies.

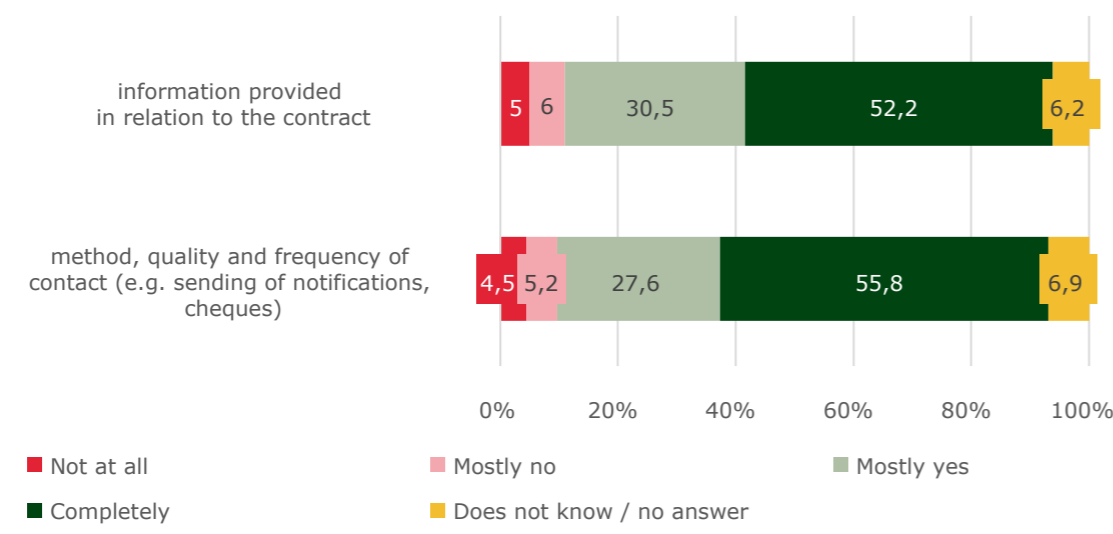
20 per cent of those with MTPL and/or CASCO had suffered a motor vehicle accident in the past five years, 58 per cent were satisfied with the insurer of the damaging party as the injured party, and 43 per cent were satisfied with their

How satisfied are you with...?



Source: Századvég (2021), Base: Those who have had an incident with their vehicle in the last 5 years and have been involved in the above situations, n=108, %

How satisfied are you with your insurer's...?



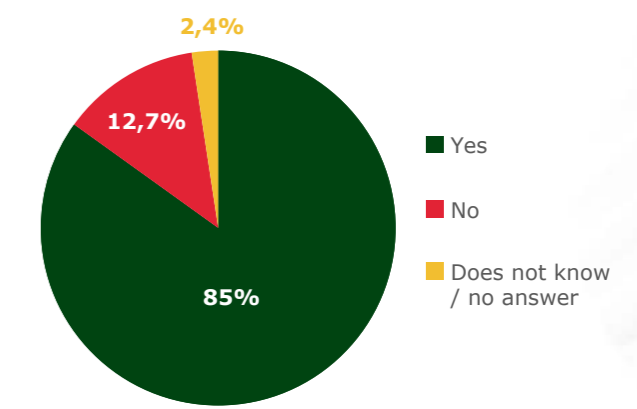
Source: Századvég (2021), Base: Those who have some other type of insurance (not motor insurance), n=705, %

own insurer as a damaging party. Satisfaction with other insurance is high, with 83 per cent of policyholders satisfied with the information provided regarding their policy and 78 per cent satisfied with the method, quality and frequency of communication. Of those who have had an incident in the last five years, 82 per cent were satisfied with the service and the insurer's procedures for other types of insurance.

Home insurance

From among the respondents, those without home insurance cited the lack of owning their own home or property as a reason for not having home insurance, but also cited high insurance prices. 85 per cent of respondents were aware of the types of damage covered by home insurance. However, the qualitative results did not show a consistent picture among the respondents. In addition to those who were fully informed, many were able to recall only the content elements that were relevant to them, or looked only after a claim to see what their insurance could cover.

Are you aware of what your home insurance covers? (%)



Source: Századvég (2021), Those who have home insurance, n=597, %

61 per cent of respondents do not monitor available home insurance options and offers, with only 8.7 per cent doing so regularly.

Changes in the insurance market in 2020

At the time of publishing the yearbook, MABISZ had 24 members, of which two were insurance group members, BNP Paribas CARDIF Biztosító Magyarország Zrt. and BNP Paribas CARDIF Életbiztosító Zrt.

Two of the 24 members is a mutual insurance association registered in Hungary, 20 are insur-

ance limited companies registered in Hungary and 2 operate as branch offices.

Of the Hungarian insurance companies operating as private limited companies, only one is not a member of MABISZ, Magyar Exporthitel Biztosító Zrt. The figures are based on data from Q4 2020.

Without accident, health and travel insurance, the 1,929,709 life insurance contracts were 5.1% higher on 31 December 2020 than one year before.

The increase in the number and revenue of pension insurance policies continues, in 2020 we were able to register a 31.1% increase in premium

revenue compared to a year earlier. On the other hand, the revenue of the largest number of regular premium unit linked contracts without pension insurance, increased by 10.2%.

The total number of reported non-life insurance contracts as of 31 December 2020 was 11,178,011,

Products in 2021

	Aegon	Agrár Biztosító	Allianz	Cardif	Cardif Élet	CIG Élet	CIG EMA-BIT	D.A.S.	Európai Utazási Biztosító	Generali	Genertel	Grawe	Groupama	K&H	KÖBE	Magyar Posta	Magyar Posta Élet	Medicover	MetLife Europe Fióktelep	MÜBSE	NN	Signal	Union	UNIQA	Wáberer Hungária
Life insurance																									
Risk	✓		✓		✓	✓				✓		✓	✓	✓			✓		✓		✓	✓	✓	✓	
Endowment	✓									✓			✓				✓		✓			✓	✓		
Mixed	✓		✓			✓				✓		✓	✓	✓			✓		✓		✓	✓	✓	✓	
Term fix	✓											✓							✓		✓	✓	✓		
Annuity	✓									✓		✓	✓	✓						✓	✓	✓	✓		
Unit-linked	✓		✓			✓				✓			✓	✓			✓		✓		✓	✓	✓	✓	
Pension insurance pursuant to the Personal Income Tax Act	✓		✓			✓				✓		✓	✓	✓			✓		✓		✓	✓	✓	✓	
Other			✓			✓				✓		✓	✓	✓			✓					✓			
Non-life insurance																									
Accident	✓		✓	✓			✓			✓	✓		✓		✓	✓			✓			✓	✓	✓	✓
Sickness			✓				✓			✓			✓		✓		✓	✓	✓			✓	✓	✓	✓
Travel	✓		✓						✓	✓	✓	✓	✓	✓	✓	✓							✓	✓	✓
Vehicle	✓		✓				✓			✓	✓		✓	✓	✓	✓						✓	✓	✓	✓
General liability	✓		✓				✓			✓			✓	✓	✓	✓		✓		✓		✓	✓	✓	✓
Corporate combined property	✓		✓				✓			✓			✓	✓	✓	✓						✓	✓	✓	✓
Retail building and property	✓		✓	✓						✓	✓		✓	✓	✓	✓						✓	✓	✓	✓
Agricultural		✓	✓							✓			✓												
Cargo	✓		✓							✓			✓									✓	✓	✓	✓
Credit	✓		✓											✓									✓		✓
Other	✓		✓	✓			✓	✓	✓	✓			✓	✓	✓								✓	✓	✓

Gross insurance premium income and market share by company*

	Premium revenue (HUF million)			Market share (%)		
	2018	2019	2020	2018	2019	2020
AEGON Magyarország Általános Biztosító Zrt.	114 382	127 654	136 713	11,03	10,93	11,07
ALLIANZ Hungária Zrt.	162 235	181 482	193 338	15,64	15,54	15,65
BNP Paribas CARDIF Biztosító Magyarország Zrt.	4 746	5 067	5 597	0,46	0,43	0,45
BNP Paribas CARDIF Életbiztosító Zrt.	2 497	2 841	2 998	0,24	0,24	0,24
CIG Pannónia Élet	n.a.	n.a.	20 018	n.a.	n.a.	1,62
CIG Pannónia Első Magyar Általános Biztosító Zrt.	n.a.	n.a.	2 740	n.a.	n.a.	0,22
COLONNADE Insurance S.A. Magyarországi Fióktelepe	11 891	12 620	n.a.	1,15	1,08	n.a.
D.A.S Jogvédelem Biztosító	2 309	2 480	2 632	0,22	0,21	0,21
EURÓPAI Utazási Biztosító Zrt.	3 530	3 779	1 059	0,34	0,32	0,09
GENERALI Biztosító Zrt.	140 467	157 544	169 337	13,54	13,49	13,71
GENERTEL Biztosító Zrt.	7 572	10 176	12 216	0,73	0,87	0,99
GRAWE Életbiztosító Zrt.	13 397	12 976	12 784	1,29	1,11	1,03
GROUPAMA Biztosító Zrt.	111 708	117 779	125 685	10,77	10,09	10,17
K&H Biztosító Zrt.	50 642	61 784	63 629	4,88	5,29	5,15
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	12 705	15 279	16 104	1,23	1,31	1,30
MAGYAR POSTA Biztosító Zrt.	10 251	11 844	13 187	0,99	1,01	1,07
MAGYAR POSTA Életbiztosító Zrt.	72 319	99 389	88 465	6,97	8,51	7,16
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	7 192	8 379	8 797	0,69	0,72	0,71
MetLife Europe Limited Magyarországi Fióktelepe	22 288	25 984	28 716	2,15	2,23	2,32
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	1 277	1 241	1 172	0,12	0,11	0,09
NN Biztosító Zrt.	79 841	81 398	91 092	7,70	6,97	7,37
PORSCHE Versicherungs AG Magyarországi Fióktelepe	1 753	n.a.	n.a.	0,17	n.a.	n.a.
SIGNAL I-DUNA Biztosító Zrt.	28 365	32 314	32 314	2,74	2,77	2,62
UNION Vienna Insurance Group Biztosító Zrt.	83 967	94 180	101 072	8,10	8,06	8,18
UNIQA Biztosító Zrt.	68 032	72 259	75 592	6,56	6,19	6,12
WÁBERER Hungária Biztosító Zrt.	23 718	29 342	29 999	2,29	2,51	2,43
Total	1 037 083	1 167 789	1 235 256	100,00	100,00	100,00

* The historical data from Erste and Vienna Life are listed under Union

Life insurance premium revenue by company*

	Life Insurance Premium revenue (HUF mln)			Market share (%)		
	2018	2019	2020	2018	2019	2020
AEGON Magyarország Általános Biztosító Zrt.	41 053	42 954	46 185	8,66	8,40	8,41
ALLIANZ Hungária Zrt.	46 046	47 123	48 740	9,71	9,22	8,88
BNP Paribas CARDIF Biztosító Magyarország Zrt.	0	0	0	0,00	0,00	0,00
BNP Paribas CARDIF Életbiztosító Zrt.	2 497	2 841	2 998	0,53	0,56	0,55
CIG Pannónia Élet	n.a.	n.a.	20 018	n.a.	n.a.	3,65
CIG Pannónia Első Magyar Általános Biztosító Zrt.	n.a.	n.a.	0	n.a.	n.a.	0,00
COLONNADE Insurance S.A. Magyarországi Fióktelepe	0	0	n.a.	0,00	0,00	n.a.
D.A.S Jogvédelem Biztosító	0	0	0	0,00	0,00	0,00
EURÓPAI Utazási Biztosító Zrt.	0	0	0	0,00	0,00	0,00
GENERALI Biztosító Zrt.	45 192	47 535	50 923	9,53	9,30	9,28
GENERTEL Biztosító Zrt.	0	0	0	0,00	0,00	0,00
GRAWE Életbiztosító Zrt.	13 397	12 976	12 784	2,82	2,54	2,33
GROUPAMA Biztosító Zrt.	49 936	47 645	48 379	10,53	9,32	8,81
K&H Biztosító Zrt.	13 911	12 488	12 382	2,93	2,44	2,26
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	0	0	0	0,00	0,00	0,00
MAGYAR POSTA Biztosító Zrt.	0	0	0	0,00	0,00	0,00
MAGYAR POSTA Életbiztosító Zrt.	72 319	99 389	88 465	15,25	19,44	16,12
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	0	0	0	0,00	0,00	0,00
MetLife Europe Limited Magyarországi Fióktelepe	21 441	25 030	27 130	4,52	4,90	4,94
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	0	0	0	0,00	0,00	0,00
NN Biztosító Zrt.	79 841	81 398	91 092	16,83	15,92	16,59
PORSCHE Versicherungs AG Magyarországi Fióktelepe	0	n.a.	n.a.	0,00	n.a.	n.a.
SIGNAL I-DUNA Biztosító Zrt.	17 555	19 735	19 735	3,70	3,86	3,60
UNION Vienna Insurance Group Biztosító Zrt.	47 135	47 651	53 172	9,94	9,32	9,69
UNIQA Biztosító Zrt.	23 958	24 471	26 912	5,05	4,79	4,90
WÁBERER Hungária Biztosító Zrt.	0	0	0	0,00	0,00	0,00
Total	474 280	511 235	548 915	100,00	100,00	100,00

* The historical data from Erste and Vienna Life are listed under Union

which represents an increase of 1.4% compared to the previous year. Within this, of the two key types of insurance, motor and household property insurance, only motor insurance managed to rise slightly above average, by 3.1%, while the number of contracts for home insurance rose by only 1.3%. In motor insurance, the 2.9% increase in mandatory motor third party liability insurance in 2020 was lower than the 4.6% increase in CASCO insurance.

Among the major types of insurance, it is worth mentioning that the number of policies for other property insurance rose by 10.0% in one year.

In 2020, the premium revenue of insurers continued to grow, the premium revenue reported was HUF 1,242,885,664 billion, which was 3.8% or slightly more than HUF 45 billion higher than the premium revenue of the previous year for the data providing insurers. According to expectations, this rising tendency in premium revenue will continue in 2021 also.

Life insurance premium revenue increased by 8.2% compared to the previous year, while non-life insurance revenue increased by 4.8%, which is why the share of life insurance within the total premium revenue increased in 2020, from 43.8% in the previous year, to 44.8%.

In 2020, the order of the first four companies with the highest premium revenue remained unchanged according to the reporting companies, with the shares changing only minimally. Allianz Hungária, the market leader, has a market share of 15.6%, followed by Generali Biztosító with 13.6%. The third and fourth largest market share holders AEGON Magyarország Általános Biztosító and GROUPAMA Biztosító have also seen little change in their market shares, now at 11.1% and 10.1% respectively. MAGYAR POSTA Életbiztosító Zrt. once again came in fifth in 2020 with 8.2%, mainly due to its significant single premium revenues.

The reported assets of insurers, as at 31 December 2020, increased by HUF 503 billion, or 20.1% compared to the end of the previous year, the total assets amounted to HUF 2,996 billion. Based to the volume of the accumulated assets, the share of insurance companies as institutional investors is still high in the capital market.

Life insurance

Last year's growth of 8.2% in the life insurance market was only marginally down on the previous year's 8.4%, which, at first glance, shows that the sector is resistant to the Covid crisis. The market continues to be predominantly unit-linked, with premium growth here (15.6%) exceeding the life market average, and the star of the sector continues to be pension insurance, with premium growth of 31%. It is worth noting that the increase in pension premiums significantly exceeded the increase in the number of contracts (17.6%), which means that the premiums per contract have increased in an encouraging way. This is important for future pension expectations.

Although premium income from death insurance fell slightly compared with the previous year (-8.1%), the number of contracts and the regular premium payers' portfolio premium (annualised premiums) also increased (11.8%), as did premium revenue from supplementary accident and health insurance (15.3%). The importance of this cover and the need for adequate levels of protection was highlighted by insurers in a dedicated campaign in the spring of this year, with special emphasis on the fact that risk insurance is about caring. The current epidemic period reinforces the need for this.

Main personal insurance indicators in 2020

	Premium revenue (HUF mln)	Insurance payout and changes in reserves (HUF mln)	Number of contracts (unit)
RISK	63 678	25 976	490 657
of which, single premium payment	171	219	19 366
of which, regular premium payment	63 507	25 757	471 291
ENDOWMENT INSURANCE	4 874	4 402	29 008
of which, single premium payment	3	1	312
of which, regular premium payment	4 871	4 401	28 696
MIXED	135 179	124 266	424 528
of which, single premium payment	77 829	81 463	120 962
of which, pension insurance pursuant to the PIT Act with single premium payment	1 388	0	989
of which, regular premium payment	57 351	42 803	303 566
of which, pension insurance pursuant to the PIT Act with regular premium payment	35 885	2 550	112 965
TERM-FIX	7 810	12 490	13 341
of which, single premium payment	0	776	26
of which, regular premium payment	7 810	11 714	13 315
ANNUITY	1 245	1 072	3 770
of which, single premium payment	1 078	642	2 851
of which, regular premium payment	167	431	919
UNIT-LINKED	330 108	262 580	1 034 126
of which, single premium payment	90 584	98 138	141 916
of which, pension insurance pursuant to the PIT Act with single premium payment	3 679	869	10 161
of which, regular premium payment	239 524	164 442	892 210
of which, pension insurance pursuant to the PIT Act with regular premium payment	71 578	16 231	285 683
OTHER	6 020	4 857	161 162
of which, single premium payment	71	1	9 716
of which, regular premium payment	5 949	4 856	151 446
TOTAL LIFE INSURANCE	548 915	435 643	2 156 592
ACCIDENT INSURANCE	23 851	5 006	631 739
HEALTH INSURANCE	21 176	13 479	35 766
TRAVEL INSURANCE	6 514	1 232	408 150
TOTAL PERSONAL INSURANCE	600 457	455 359	3 232 247

Life insurance premium revenue and contract number by company in 2020

	HUF mln and unit											
	RISK		ENDOWMENT		MIXED		UNIT-LINKED		OTHER		TOTAL	
	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts
AEGON Magyarország Általános Biztosító Zrt.	11 967	88 558	0	259	13 979	81 584	20 051	71 948	189	304	46 185	242 653
ALLIANZ Hungária Zrt.	2 838	2 683	0	48	7 123	17 369	38 656	159 426	123	9 940	48 740	189 466
BNP Paribas CARDIF Biztosító Magyarország Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
BNP Paribas CARDIF Életbiztosító Zrt.	2 998	21	0	0	0	0	0	0	0	0	2 998	21
CIG Pannónia Élet	575	8 701	0	0	1 800	7 135	15 729	48 036	1 914	2 889	20 018	66 761
CIG Pannónia Első Magyar Általános Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
D.A.S Jogvédelem Biztosító	0	0	0	0	0	0	0	0	0	0	0	0
EURÓPAI Utazási Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
GENERALI Biztosító Zrt.	4 932	3 020	46	766	4 482	22 392	37 974	100 708	3 490	138 499	50 923	265 385
GENERTEL Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
GRAWE Életbiztosító Zrt.	857	0	0	0	7 867	0	0	0	4 060	0	12 784	0
GROUPAMA Biztosító Zrt.	5 581	46 291	7	85	2 376	14 043	40 255	164 569	159	99	48 379	225 087
K&H Biztosító Zrt.	3 986	43 061	0	0	1 369	15 090	6 793	32 886	235	9 638	12 382	100 675
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	0	0	0	0	0	0	0	0	0	0	0	0
MAGYAR POSTA Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
MAGYAR POSTA Életbiztosító Zrt.	9 647	90 975	4 085	24 591	74 527	148 763	121	954	85	9	88 465	265 292
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	0	0	0	0	0	0	0	0	0	0	0	0
MetLife Europe Limited Magyarországi Fióktelepe	2 387	11 827	259	1 752	429	4 406	24 021	54 331	34	192	27 130	72 508
MŰBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	0	0	0	0	0	0	0	0	0	0	0	0
NN Biztosító Zrt.	10 764	145 134	0	0	18 878	87 977	57 924	117 497	3 526	1 220	91 092	351 828
SIGNAL I-DUNA Biztosító Zrt.	398	25 412	311	377	505	13 041	18 163	87 426	358	3 541	19 735	129 797
UNION Vienna Insurance Group Biztosító Zrt.	4 860	18 740	99	626	870	6 479	46 706	116 944	637	10 473	53 172	153 262
UNIQA Biztosító Zrt.	1 889	6 234	67	504	976	6 249	23 715	79 401	265	1 469	26 912	93 857
WÁBERER Hungária Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0	0	0
Total	63 678	490 657	4 874	29 008	135 179	424 528	330 108	1 034 126	15 075	178 273	548 915	2 156 592

Non-life insurance market

Accident and Health Insurance Policies

The growth of health insurance, which includes both service-financing and fixed-sum insurance according to the Yearbook methodology, of over 11% in 2020 again exceeded the average growth of the insurance market, which was 4.8%. (Accident insurance growth lagged behind, with 2.3%). However, despite the impressive percentages, we can still only talk about low market saturation, as the still low base of previous years must be taken into account when assessing growth. Group insurance continues to play a dominant role. Last year's figures show that, despite the adverse change in the tax environment in 2019 and the difficult circumstances caused by last year's pandemic, employers continue to use this benefit, and are increasingly conscious of using it, to retain and incentivise their workforce.

Lessons from the pandemic period should also be learned in this market. European trends show an increasing demand for private health insurance with cost-financing, with the highest growth in the non-life insurance sector in Europe in the first half of last year. According to EIOPA's latest Consumer Trends Report, this product type has the highest price/value ratio, driven by high claims payments. The Hungarian market has also been particularly customer-friendly in its approach to the Covid situation. Typically, there were no such exclusions in the product terms and conditions, and where there were, they were lifted. Insurers were able to react quickly to changing circumstances and to help policyholders in case of difficulties (e.g. online medical consultations, electronic document acceptance, 24-hour medical call centres), and some insurers even provided related cover free of charge.

In the longer term, pandemic risks are a major challenge for the profession. The issue is also being intensively addressed by European decision-makers, who consider it clear that the

risks cannot be borne by the private insurance sector alone. From an insurance perspective, the management of long-post covid health and medical risks is a much more exciting issue from a professional point of view than the immediate post-covid consequences.

Travel insurance

It is now known that the Covid-19 epidemic has understandably hit the travel insurance sector the hardest. In 2020, premiums written fell to 36% of the previous year's level, reflecting the general global situation as the travel insurance market inevitably moves with the evolution of global tourism. However, the pandemic and the pandemic-related regulations applied by various countries have led to a marked increase in the importance of travel insurance products and consumer awareness, and it is expected that, as the world situation settles down, consumers who were less interested in this type of protection before the pandemic will not be able to travel without it.

In several European countries, the pandemic has also brought into focus the terms and conditions of travel insurance contracts, possible exclusions and the interpretability of terms and conditions. The Hungarian market has performed well in this respect, with insurers adapting flexibly to changing needs by continuously expanding coverages and typically modifying contract terms and conditions to the benefit of policyholders at the beginning of the pandemic period. MABISZ members also pay particular attention to informing their customers, and the association's website provides up-to-date information on travel insurance information, including on the coronavirus.

Closely related to this area is the issue of tour operator guarantee insurance, which is regulated at EU level by the 'Travel Package' Directive. The virus situation has also highlighted the weaknesses of this legislation, as it has tested the concept of

"unavoidable and extraordinary circumstances", where parties can withdraw from the general contractual conditions for travel services without penalty, while travel restrictions have typically been imposed by government decisions. The European Commission intended to address the issue in a resolution in spring 2020, but this was not binding on Member States, and different solutions were found, e.g. the use of vouchers. The forthcoming revision of the EU directive will obviously include specific rules for pandemic situations, which are currently missing from the text.

Home insurance

The volume of household property insurance, dominated by home insurance, grew by 7.6% in 2020 in terms of premiums, with a slight increase in portfolio volume. The domestic home insurance saturation, which can also be considered good internationally, is around 73-74%.

The primary driver of premium revenue was the increasingly rapid rise in home construction and repair costs in recent years, but the rise in average

Certain non-life insurance data in 2020*

	HUF mln and unit				
	Premium revenue	Number of contracts	Claim expenditure	Claim expenditure in the current year	Number of claim events in the current year
VEHICLE	357 436	6 791 441	170 034	154 406	285 204
of which CASCO	111 060	1 024 683	55 433	55 506	146 455
of which liability insurance	246 376	5 766 758	114 601	98 900	138 749
General liability insurance	30 398	118 889	6 364	13 116	8 967
Entrepreneurial assets	65 862	215 481	22 072	24 337	48 388
Household property	142 347	3 843 948	44 459	44 152	644 684
Agricultural	15 937	28 706	6 822	6 911	7 512
of which animal insurance	531	965	270	183	164
of which plant insurance	12 170	23 149	6 307	5 761	6 295
Freight insurance	5 141	42 304	2 367	1 095	792
Credit insurance	0	0	-5	7	0
Other insurance	17 678	272 565	7 014	5 232	16 946
TOTAL NON-LIFE INSURANCE**	634 799	11 313 334	259 126	249 255	1 012 493

* Net of accident, health and travel insurance, ** Not all companies provided detailed data.

consumer prices has also been reflected in insurers' premiums and index numbers.

2020 was also a year free of extraordinary claim events and damages from disasters, despite a 14% increase in claims payments, mainly due to higher home construction and repair costs.

On the basis of many years of experience the May-August period is the most risky and the insurance companies were prepared for the occasional storm claims on a mass scale and therefore, following a large local storm or a hail-storm, they accelerated claim settlement even by reallocating their resources. This is an outstanding professional success, as the damage was managed despite the restrictions imposed due to the coronavirus.

One of the most important home insurance tasks in 2020 was the professional coordination of the Certified Consumer-Friendly Home Insurance tender. This year, the framework for the tender was already in place and three companies obtained CCH certification and three more submitted their applications to the MNB. The professional work of the Home Insurance Committee this year was mainly focused on the development of the online platform for comparing CCH methods operated by the MNB.

In 2020, we continued with significantly increased activity to support the DLT project (MNB, Banking Association, MABISZ) initiated by the MNB, in the framework of which the business process of registering home insurance and providing credit protection cover would be carried out using shared general ledger technology. The project is a major challenge for all actors involved, as it aims to link two large financial sectors using modern technology that has not been used by either side before.

2020 was strongly influenced by the epidemic situation caused by the coronavirus, but with the working methods already established in the previous year (telesales, increasing online and telephone connections, home-office, remote access, new technologies in claims settlement, etc.), the reduction of personal contact was successfully overcome, and the situation even acted as a technological catalyst for the profession as a whole.

Agricultural insurance

In 2020, the premium revenue of agricultural insurance increased by almost HUF 2.4 billion compared to the previous year. The premiums of plant, animal and agricultural property insurance totalled HUF 18.4 billion.

Premium revenue from plant insurance, the backbone of the agricultural sector, also increased significantly, by nearly 16.7%, with premium revenue from subsidised policies accounting for HUF 13.1 billion out of HUF 16 billion. Within plant insurance, the share of subsidised contracts increased further (HUF 11.6 billion in 2019). The amount of subsidised plant insurance increased from HUF 5 billion to HUF 7 billion. Despite the increase in the budget, there was again an over-claim, so the subsidy intensities for the plant insurance products were 64% for package 'A', 40% for package 'B' and 40% for package 'C', compared to the maximum of 70%.

In 2020, repeated spring frosts significantly reduced plantation yields, followed by a colder-than-average May with significant rainfall. The vast majority of damage continued to come from hail, but storms and downpours also caused significant damage. Overall, 2020 was more favourable than the previous year in terms of the amount of damages paid out, with 11% less claims paid, totalling HUF 5.9 billion. The claim ratio of the plant insurance sector was 36.7% (48.2% in 2019) (source: National Agricultural Research and Innovation Centre (Hungarian abbreviation: 'NAIK') - Statistical reports, Agricultural Insurance 2020).

Premium revenue from animal insurance increased by almost 19.5% compared to previous years, amounting to HUF 646 million in 2020 (HUF 533 million in 2019), with HUF 159 million in claims payments, a 36% decrease compared to the previous year. Among the animal insurance products producers continue to opt for the basic insurance for natural and physical damage.

Premium revenue from agricultural property insurance in 2020 increased by almost 23% to HUF 1.808 billion, with claims payments of HUF 605 million.

All in all, it is clear that plant insurance continues to dominate the market, accounting for nearly 86.6% of the total agricultural insurance market. The impact of the premium support system is reflected in the number of parties entering into new insurance contracts and the opening up of the producers towards more complex ('A' package insurance) insurance products.

Freight insurance

In many respects, 2020 for the freight insurance business line was also shaped by the coronavirus pandemic and its aftermath.

In this business line, the use of electronic means of communication between insurers, customers and intermediaries was already prevalent and has been further reinforced by the pandemic. Thanks to their IT background, insurers were able to quickly complete electronic communication with intermediaries and partners.

As with all the other committees, the meetings of the Freight Insurance Committee were moved online, forcing it to postpone its most popular programme for many years, the technical day, until after the epidemic.

The Committee has kept the potential impact of the pandemic on the freight sector under constant review and has discussed it at several meetings.

Fortunately, we have been able to conclude that the pandemic and the measures introduced to contain it have not had any lasting, prolonged effects on the freight and forwarding sector. Of course, initially, there were serious problems for freight and forwarding companies due to the minor or major disruptions to the free movement of goods, the difficulties in

crossing borders, the various restrictive measures introduced by countries and regions, and the stoppage of production activities in many places, which also led to the suspension of goods transport.

But after the shock of the severe restrictions introduced in spring 2020, the market recovered quickly. In the second half of the year, we already saw business volumes return to levels similar to those before the pandemic, despite the continuing travel and curfew restrictions.

The fact that the freight forwarding market remained dynamic and even grew during the pandemic is also demonstrated by the data of the freight insurance business line.

According to the aggregate data from MABISZ member insurers, premium revenue in the freight insurance business line increased by more than 25% in 2020. Aggregate claims expenditure increased, but claims expenditure for the year under review was at a similar level to the previous year.

The aggregate statement from the National Bank of Hungary, which includes data from all market players, also shows an increase, with an increase in earned premiums of around 10%.

The committee also analysed the possible impact of the pandemic on freight insurance claims. Current experience shows that there has been no adverse change in the number of claims, the claim amount or the type of claims.

Insurers have also experienced the impact of the pandemic on reinsurance terms and conditions, which are also relevant in this business line.

Industrial property and technical insurance

The industrial and technical insurance sector closed another good year in 2020. Both premium revenue and the number of contracts continued to grow. Con-

struction output also continued its upward trend. For certain modes and risks, further reductions in premiums have been a trend for many years, which was not halted by the pandemic in March 2020, and competition in the market remains very strong.

Market phenomena that began in previous years, such as

- an increase in fault claims due to a shortage of untrained labour,
- downtime and additional risks caused by labour shortages in the construction industry,
- additional risks associated with machinery purchased for hire,
- an increase in the number of damages that are not sufficiently documented and investigable

are still present, but the market is slowly learning to address these challenges.

In this sector, 2020 was also the year of COVID 19. The pandemic and the associated uncertainty and unpredictability have had an impact. However, the expected decline in the number of claims did not materialise, with customer premiums remaining stable as before. Apart from a few rescheduling requests, policyholders have endeavoured to meet their premium payment obligations and very few cancellations have been initiated. With the partial recovery of the economy in the second half of the year, there was no longer a decline of the same magnitude as in Q2, and the halted construction work continued.

Insurers reacted very quickly to the closures and switched to home office work within 1-2 weeks, allowing them to continue their activities uninterrupted.

However, the pandemic has forced insurers to review their terms and conditions. Several customers have raised questions about whether insurers cover the financial consequences of an

economic shutdown due to a health emergency. In the absence of applicable experience and because of the unforeseeable consequences, insurers are ultimately discouraged from taking out such insurance.

Liability insurance

The liability insurance market continued to grow in terms of premium revenue, regardless of the spread of the coronavirus epidemic and the decline in GDP. The increase in the premium revenue of general and professional liability insurance (compared to the previous year) was 3.6% (source: MNB Insurance sector time series).

The new challenges for 2020 were the effects of the aforementioned coronavirus epidemic, which severely affected several industries but did not cause any significant change in terms of liability insurance.

In 2020, new water transportation regulations came into force, which included mandatory liability insurance requirements, but did not cause significant changes in the liability insurance market. The market for mandatory designer and contractor liability insurance continues to shrink due to the 2019 legislative change.

A major issue for 2020-2021 is the regulation of unmanned aircraft, which opened up a new market for mandatory liability insurance and finally entered into force on 1 January 2021. It is expected that the potential further waves of the epidemic and its negative impact on the economy, as well as the development of a new unmanned aircraft regulation, will pose new challenges in 2021. In addition, in the current situation of the construction industry, it is questionable whether there will be any change in the legislative background with regard to mandatory liability insurance for the construction and design of residential properties that can be built with simple notification.

Vehicle market

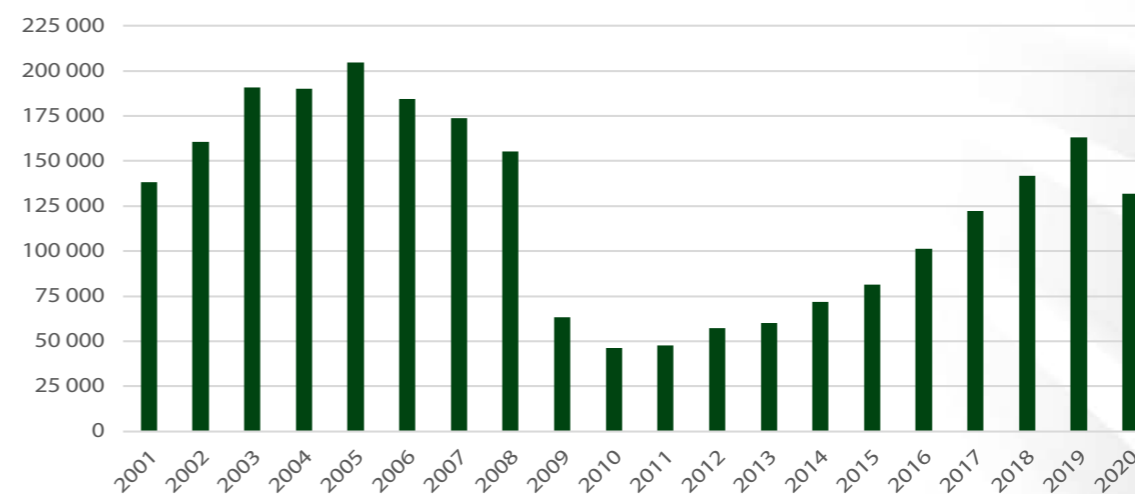
In 2020, vehicle production volumes fell by 11.2 per cent and sales volumes by 11.5 per cent compared to the previous year. Within sales, domestic sales fell by 15.8 per cent and export sales fell by 11.0 per cent. In 2020, the number of persons employed in vehicle production was 176.6 thousand, a decrease of 2.8 percent compared to the previous year. Productivity in vehicle production, i.e. output per employee, also decreased compared to 2019.

According to the data of the CSO, a total of 165,116 new vehicles were registered in Hungary in 2020, an 18.5 per cent drop compared to the previous year, breaking a steady upward trend starting in 2010. The number of new passenger cars, buses, trucks and tractors registered also decreased, with only motorcycles increasing compared to 2019. Last year, a total of 131,757 new passenger cars

(-19.1 per cent compared to the previous year), 696 new buses (-20.3 per cent), 4,427 new motorcycles (+2.3 per cent), 23,229 new trucks (-17.9 per cent) and 5,007 new tractors (-17.7 percent) were registered.

Among new and second-hand passenger cars imported from abroad, the make of most passenger cars entering circulation in Hungary was Volkswagen, followed by Ford, Toyota, Opel and Suzuki. In 2020, 24,874 Volkswagen passenger cars were placed into circulation, 15.4 per cent down on the previous year. Of the makes of passenger cars entering circulation, only Jeep (38.6 per cent), Fiat (6.3 per cent), Toyota (1.8 per cent) and Lexus (1.1 per cent) achieved an increase compared to 2019. The average age of the total Hungarian passenger car fleet was 14.7 years, continuing a steadily increasing trend since 2006 (when the average age was 10.3 years).

Number Of Vehicles Entering Circulation For The First Time In Hungary (Unit)



Source: CSO

Life insurance premium revenue and contract number by company in 2020*

HUF mln, or pcs

	Retail building and property insurance		General liability insurance		Contractor consolidated property insurance		Including other vehicle insurance		Total	
	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts	Premium revenue	Number of contracts
AEGON Magyarország Általános Biztosító Zrt.	46 416	1 469 850	1 969	16 087	4 512	17 819	36 025	651 160	88 922	2 154 916
ALLIANZ Hungária Zrt.	22 014	539 441	11 396	4 077	14 394	75 020	95 758	1 826 797	143 562	2 445 335
BNP Paribas CARDIF Biztosító Magyarország Zrt.	12	2 233	0	0	0	0	5 537	115 283	5 549	117 516
BNP Paribas CARDIF Életbiztosító Zrt.	0	0	0	0	0	0	0	0	0	0
CIG Pannónia Élet	0	0	0	0	0	0	0	0	0	0
CIG Pannónia Első Magyar Általános Biztosító Zrt.	0	0	262	0	400	0	2 079	9 607	2 740	9 607
D.A.S. Jogvédelem Biztosító	0	0	0	0	0	0	2 632	37 749	2 632	37 749
EURÓPAI Utazási Biztosító Zrt.	0	0	0	0	0	0	127	845	127	845
GENERALI Biztosító Zrt.	30 436	588 348	10 363	59 759	17 483	47 062	52 761	696 996	111 042	1 392 165
GENERTEL Biztosító Zrt.	981	40 210	0	0	0	0	11 010	250 771	11 990	290 981
GRAWE Életbiztosító Zrt.	0	0	0	0	0	0	0	0	0	0
GROUPAMA Biztosító Zrt.	21 340	560 957	1 735	11 964	7 637	23 866	33 268	550 032	63 981	1 146 819
K&H Biztosító Zrt.	5 507	154 950	512	3 505	1 892	12 954	42 637	1 172 161	50 548	1 343 570
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	993	40 004	28	4 440	75	3 494	14 957	261 685	16 053	309 623
MAGYAR POSTA Biztosító Zrt.	3 862	131 679	1	4	0	1	8 610	187 074	12 474	318 758
MAGYAR POSTA Életbiztosító Zrt.	0	0	0	0	0	0	0	0	0	0
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	0	0	0	0	0	0	0	0	0	0
MetLife Europe Limited Magyarországi Fióktelepe	0	0	0	0	0	0	0	0	0	0
MŰBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	0	0	1 172	10 595	0	0	0	0	1 172	10 595
NN Biztosító Zrt.	0	0	0	0	0	0	0	0	0	0
SIGNAL I-DUNA Biztosító Zrt.	3 093	90 529	7	836	1 962	12 095	6 370	225 021	11 432	328 481
UNION Vienna Insurance Group Biztosító Zrt.	2 847	98 292	723	1 510	9 589	4 322	25 830	579 774	38 989	683 898
UNIQA Biztosító Zrt.	4 737	123 136	2 204	6 103	7 899	18 689	28 758	319 880	43 597	467 808
WÁBERER Hungária Biztosító Zrt.	109	4 319	25	9	19	159	29 836	250 181	29 989	254 668
Total	142 347	3 843 948	30 398	118 889	65 862	215 481	396 193	7 135 016	634 799	11 313 334

* Baleset-, betegség és utazási biztosítás nélkül ** nem adott minden társaság részletes adatot

Vehicle insurance section

International topics

A comprehensive survey was conducted within Insurance Europe on best practice measures taken by national markets in relation to the Covid-19 epidemic. Several countries reported that insurers showed considerable flexibility during the payment of claims and premium payments when someone was temporarily unable to meet their contractual obligations.

EIOPA has drawn attention to the need to continuously assess the value for money of individual products. The range of products under this monitoring has been steadily expanded.

EIOPA has incorporated the Covid-19 experiences into its Consumer Trends Report. For this, it sought the help of the associations, and thus the insurers, through Insurance Europe, in order to jointly assess the experiences of the epidemic.

Organised by the European Commission, insurers were asked to describe what they did for consumers during the epidemic, and consumers were also asked to share what they perceived from these.

From 1 July 2020, the green card issued on a black and white background is also accepted on the Hungarian market. In addition, the back of the original green card may be omitted, as decided by the Council of Bureaux. In the future, it will be possible to print the document on both white and green paper, and the compulsory use of green paper will be abolished.

The international regulations make printing compulsory for the time being and the card cannot be issued electronically, but the aim is to avoid the need to print it, as the agreement on registration plates allows for the proof of international mandatory motor third party liability insurance (MTPL) based on the registration plate. It is likely that not all countries will accept the electronic image format. The transitional period during which EU legislation

Changes in premium revenues and claim expenditures relating to mandatory motor vehicle liability insurance

	Mandatory third party motor vehicle liability insurance					
	Revenues (HUF mln)			Claims expenditure (HUF mln)		
	2018	2019	2020	2018	2019	2020
AEGON	14 956	21 046	22 868	8 854	8 723	9 094
Allianz	40 391	53 870	60 735	24 705	26 076	28 485
CIG Pannónia Általános	n.a.	n.a.	0	n.a.	n.a.	-23
Generali	12 763	18 932	20 499	5 554	6 318	6 592
Genertel	3 064	5 049	6 503	1 968	2 694	2 808
Groupama	11 503	14 387	15 621	8 025	9 113	11 374
K&H	26 819	37 643	38 425	16 754	17 560	15 744
KÖBE	10 703	12 670	13 258	5 777	5 318	5 244
Magyar Posta Bizt.	5 377	6 449	8 262	3 546	1 905	2 852
SIGNAL IDUNA	3 621	4 721	4 721	3 573	3 047	3 047
Union	9 294	15 024	15 255	4 809	6 515	6 963
UNIQA	12 963	14 456	13 912	8 671	8 441	5 978
Wáberer Hungária	21 446	25 776	26 316	14 767	15 737	16 442
Total	172 901	230 022	246 376	107 004	111 447	114 601

continued to apply to the UK ended on 31 December 2020. This makes the United Kingdom both legally and practically a third country for the purposes of applying EU law. There are a number of implications of this development, including implications for the operation of international motor claims settlement systems, and special attention should also be paid to the impact of the Brexit green card.

National agenda items

There is a distinct lack of interest from both policyholders and insurers in the MTPL insurance of electric scooters and petrol scooters. The problem is based on the fact that, although the legislation does not include electric scooters or electric bicycles in the category of mopeds, for which mandatory motor third party liability insurance is required, in some

cases, fines are imposed on people using vehicles other than mopeds in road transport because they do not have mandatory insurance. However, insurers do not yet provide liability insurance for these vehicles because of the unsettled legal situation.

The Ministry of Information and Technology has launched a project to improve the safety of the road network, with the involvement of Magyar Közút Zrt., Budapest Közút Zrt., ORFK (National Police Headquarters) and MABISZ. The basic message is to create as wide a database as possible, from which valuable conclusions can be drawn as a result of the many queries. In addition to the data on accidents with material damage, data from the e-claim reporting system operated by MABISZ may also be collected. The legally admissible part of this data set would be made publicly available in the project. The improvement of

Changes in non-life insurance premium revenue and claims expenditure by company*

	HUF mln					
	Non-life insurance premium revenue			Gross claims expenditure		
	2018	2019	2020	2018	2019	2020
AEGON Magyarország Általános Biztosító Zrt.	73 329	84 700	90 527	26 895	30 073	31 568
ALLIANZ Hungária Zrt.	116 189	134 359	144 598	50 788	55 527	58 633
BNP Paribas CARDIF Biztosító Magyarország Zrt.	4 746	5 067	5 597	1 414	680	1 439
BNP Paribas CARDIF Életbiztosító Zrt.	0	0	0	0	0	0
CIG Pannónia Élet	n.a.	n.a.	0	n.a.	n.a.	0
CIG Pannónia Első Magyar Általános Biztosító Zrt.	n.a.	n.a.	2 740	n.a.	n.a.	1 707
COLONNADE Insurance S.A. Magyarországi Fióktelepe	11 891	12 620	n.a.	3 304	2 340	n.a.
D.A.S Jogvédelem Biztosító	2 309	2 480	2 632	160	327	246
EURÓPAI Utazási Biztosító Zrt.	3 530	3 779	1 059	832	980	303
GENERALI Biztosító Zrt.	95 275	110 009	118 414	34 003	37 738	40 665
GENERTEL Biztosító Zrt.	7 572	10 176	12 216	4 152	5 166	5 270
GRAWE Életbiztosító Zrt.	0	0	0	0	0	0
GROUPAMA Biztosító Zrt.	61 772	70 134	77 307	24 848	27 042	32 561
K&H Biztosító Zrt.	36 732	49 296	51 247	19 651	21 222	19 680
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	12 705	15 279	16 104	6 664	6 551	6 720
MAGYAR POSTA Biztosító Zrt.	10 251	11 844	13 187	4 261	2 999	4 160
MAGYAR POSTA Életbiztosító Zrt.	0	0	0	0	0	0
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	7 192	8 379	8 797	5 256	6 123	6 429
MetLife Europe Limited Magyarországi Fióktelepe	847	955	1 586	85	106	83
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	1 277	1 241	1 172	435	-164	-110
NN Biztosító Zrt.	0	0	0	0	0	0
PORSCHE Versicherungs AG Magyarországi Fióktelepe	1 753	n.a.	n.a.	n.a.	n.a.	n.a.
SIGNAL I-DUNA Biztosító Zrt.	10 810	12 579	12 579	6 181	6 051	6 051
UNION Vienna Insurance Group Biztosító Zrt.	36 832	46 529	47 900	15 213	16 309	23 976
UNIQA Biztosító Zrt.	44 073	47 787	48 680	21 358	22 569	19 774
WÁBERER Hungária Biztosító Zrt.	23 718	29 342	29 999	15 032	18 177	19 688
Total	562 802	656 554	686 341	240 533	259 817	278 842

* The older data of Erste and Vienna Life are included under Union

road safety is also of fundamental interest to insurers, and they would like to help achieve this goal by providing legally admissible data.

The digitisation of administrative procedures for motor vehicles within the competence of the Ministry of the Interior is also under way. Closely linked to this is the virtually immediate administrative verification of the existence of the MTPL. Insurers can contribute to this by minimising the time it takes for the insurer to upload the MTPL policy into the central register.

CLAIMS SETTLEMENT COMMITTEE OF THE VEHICLE INSURANCE SECTION

At a technical briefing, it was mentioned that, in the event of an accident, it is very important for the police to clear the road section affected by the accident as soon as possible in order for traffic to pass. As a consequence, in some cases the police do not conduct an inspection. For the police, the time needed on the scene does not depend on whether there has been an accident involving personal injury or material damage. In the latter case, police action

is typically requested by the parties involved in order to enable them to pursue their claim for compensation more effectively. In Hungary, the overall social consideration is to avoid holding up tens of thousands of road users, while the amount of damage caused by an accident is negligible.

The most important thing for insurers would be for the police to provide a description of the incident, as this information would help the experts during the assessment of claims. On this point, there is a strong contradiction in that the police can only provide information in relation to matters which the law authorises. It is not the task of the police to investigate the circumstances of the accident. By law, it is also the task of the acting police officer to establish whether or not the driver of the vehicle was intoxicated. If an on-the-spot fine has been imposed, this information may be used in the assessment of the claim. What the police can do is describe the traffic situation and provide photographs of the scene. The insurance companies would welcome the photographs as they contain very useful information about the accident.

Reserves, investments, results 2020

- At the end of 2020 the insurance companies had HUF 2,475,437 million insurance technical reserves.
- The total declared equity and debt of the insurance companies was HUF 2,996,305 million at the end of 2020.
- Government securities continued to dominate the investments of insurance companies.
- By 31 December 2020, the share of government securities within the total investments remained at the same level as the previous year, i.e. 47.6%.
- In terms of investment ratios an increase was observed in other securities compared to the previous year, with their share rising from 34.2% to 35.4% in one year.
- The ration of shares also increased from 1.9% at the end of last year to 2.3%.
- The proportion of loans to policy holders continued to be marginal within the investment portfolio, remaining at only 0.08% of the total investments.
- In 2020, the overall insurance technical profit increased from HUF 68.7 billion in 2019 to HUF 77.7 billion.
- The insurance technical profit of the life insurance business line increased marginally, from HUF 27.2 billion in 2019 to HUF 27.3 billion in 2020.
- The non-life business line showed a more significant improvement compared to the previous year, with the insurance technical profit

increasing from HUF 41.5 billion in 2019 to HUF 50.4 billion in 2020.

- The two business lines and favourable outcome of non-insurance technical settlements, the aggregated profit after tax of the insurance companies increased from HUF 76.9 billion recorded in the previous year to HUF 82.8 billion in 2020.

- In 2020 insurance companies paid HUF 4.6 bln corporate income tax.
- All the tables of this yearbook contain the gross written premium figures under the title of 'premium revenues'

Insurance technical reserve of insurance companies as of 31 December 2020

	Insurance technical reserve (HUF million)		
	Total net insurance technical reserves	Of which, life insurance premium reserve	Of which Unit-linked life insurance premium reserve
AEGON Magyarország Általános Biztosító Zrt.	194 927	75 687	72 111
ALLIANZ Hungária Zrt.	332 725	34 510	130 468
BNP Paribas CARDIF Biztosító Magyarország Zrt.	1 622	0	0
BNP Paribas CARDIF Életbiztosító Zrt.	675	0	0
CIG Pannónia Élet	n.a.	8 733	78 352
CIG Pannónia Első Magyar Általános Biztosító Zrt.	n.a.	0	0
D.A.S Jogvédelem Biztosító	3 983	0	0
EURÓPAI Utazási Biztosító Zrt.	937	0	0
GENERALI Biztosító Zrt.	273 906	32 486	178 641
GENERTEL Biztosító Zrt.	4 111	0	0
GRAWE Életbiztosító Zrt.	97 227	90 332	0
GROUPAMA Biztosító Zrt.	261 482	38 580	161 970
K&H Biztosító Zrt.	150 400	13 159	92 685
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	8 451	0	0
MAGYAR POSTA Biztosító Zrt.	9 916	0	0
MAGYAR POSTA Életbiztosító Zrt.	193 391	187 526	3 645
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	0	0	0
MetLife Europe Limited Magyarországi Fióktelepe	118 421	10 979	100 006
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	3 204	0	0
NN Biztosító Zrt.	463 255	135 119	313 081
SIGNAL I-DUNA Biztosító Zrt.	73 858	9 588	53 299
UNION Vienna Insurance Group Biztosító Zrt.	226 987	11 405	188 535
UNIQA Biztosító Zrt.	146 905	7 227	117 908
WÁBERER Hungária Biztosító Zrt.	27 474	0	0
Total	2 593 857	655 332	1 490 700

Investment of the insurance companies by investment type as of 31 December 2020

HUF mln

	Government securities	Bank deposits and securities issued by banks	Real estate, real estate investment unit	Shares	Other securities	Bond loan	Other	Total
AEGON Magyarország Általános Biztosító Zrt.	129 804	3 927	3 162	3 063	96 147	509	630	237 242
ALLIANZ Hungária Zrt.	265 676	16 546	12 530	11 512	83 922	55	25 981	416 223
BNP Paribas CARDIF Biztosító Magyarország Zrt.	3 857	3 100	0	0	0	0	0	6 957
BNP Paribas CARDIF Életbiztosító Zrt.	709	1 480	0	0	0	0	0	2 189
CIG Pannónia Élet	28 181	3 442	0	17 067	48 843	0	42	97 574
CIG Pannónia Első Magyar Általános Biztosító Zrt.	3 876	384	0	0	594	0	0	4 854
D.A.S Jogvédelem Biztosító	6 044	42	0	0	0	0	0	6 086
EURÓPAI Utazási Biztosító Zrt.	2 779	459	0	0	439	0	0	3 677
GENERALI Biztosító Zrt.	145 893	17 719	99	21 209	139 908	79	13 749	338 656
GENERTEL Biztosító Zrt.	8 028	780	0	0	791	0	3	9 602
GRAWE Életbiztosító Zrt.	97 270	5 386	485	0	7 010	149	150	110 449
GROUPAMA Biztosító Zrt.	161 231	38 554	2 149	4 287	95 640	1	3 623	305 485
K&H Biztosító Zrt.	69 885	7 108	0	0	93 379	748	0	171 120
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	11 087	0	0	0	825	0	1 504	13 416
MAGYAR POSTA Biztosító Zrt.	11 386	1 110	674	173	1 216	0	0	14 560
MAGYAR POSTA Életbiztosító Zrt.	160 314	16 962	6 529	980	20 548	0	53	205 384
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	1 840	0	0	0	0	0	0	1 840
MetLife Europe Limited Magyarországi Fióktelepe	16 608	1 856	0	0	0	252	0	18 716
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	7 836	0	62	109	0	0	0	8 008
NN Biztosító Zrt.	166 339	6 422	48	6 626	296 575	286	7 799	484 096
SIGNAL I-DUNA Biztosító Zrt.	17 659	2 010	0	74	53 350	7	9 968	83 068
UNION Vienna Insurance Group Biztosító Zrt.	53 057	493	1 858	2 829	0	432	215 876	274 545
UNIQA Biztosító Zrt.	36 950	3 980	0	0	119 653	11	1 055	161 649
WÁBERER Hungária Biztosító Zrt.	35 836	937	0	0	2 855	0	0	39 628
Total	1 442 144	132 693	27 596	67 929	1 061 695	2 530	280 433	3 015 021

Number of persons employed by insurance companies as of 31 December 2020

	persons					Total
	Adminis- trative	Business		Other		
	Full-time	Part-time	Entrepre- neur			
AEGON Magyarország Általános Biztosító Zrt.	618	169	70	1 504	115	2 476
ALLIANZ Hungária Zrt.	370	116	3	1 239	351	2 079
"BNP Paribas CARDIF Biztosító Magyarország Zrt. és BNP Paribas CARDIF Életbiztosító Zrt."	9	0	0	0	37	46
CIG Pannónia Élet	80	0	0	0	75	155
CIG Pannónia Első Magyar Általános Biztosító Zrt.	38	0	0	0	0	38
D.A.S Jogvédelem Biztosító	42	1	12	516	24	595
EURÓPAI Utazási Biztosító Zrt.	26	0	0	0	0	26
GENERALI Biztosító Zrt.	1 173	200	7	2 621	0	4 001
GENERTEL Biztosító Zrt.	43	52	0	10	0	105
GRAWE Életbiztosító Zrt.	34	0	0	0	0	34
GROUPAMA Biztosító Zrt.	671	144	3	1 024	180	2 022
K&H Biztosító Zrt.	307	51	0	335	0	693
KÖBE Közép-európai Kölcsönös Biztosító Egyesület	99	37	1	131	13	281
MAGYAR POSTA Biztosító Zrt.	219	7	0	0	0	226
MAGYAR POSTA Életbiztosító Zrt.	69	6	0	0	0	75
MEDICOVER Főrsakrings AG Magyarországi Fióktelepe	28	0	4	0	0	32
MetLife Europe Limited Magyarországi Fióktelepe	92	0	0	14	3	109
MÜBSE Magyar Ügyvédek Kölcsönös Biztosító Egyesülete	15	0	0	0	0	15
NN Biztosító Zrt.	392	0	0	1 603	0	1 995
SIGNAL I-DUNA Biztosító Zrt.	175	43	0	169	0	387
UNION Vienna Insurance Group Biztosító Zrt.	453	28	0	591	35	1 107
UNIQA Biztosító Zrt.	393	0	0	621	0	1 014
WÁBERER Hungária Biztosító Zrt.	81	0	0	0	0	81
Total	5 428	854	100	10 378	833	17 593

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Main highlights of the accounting of the insurance companies' profit in 2020

	HUF thousand
A) NON-LIFE INSURANCE	
Earned premium without counter-insurance	523 875 147
Gross premium	684 502 761
Claim expenditure	236 622 681
Gross claim payment	253 283 770
Change in pending loss reserves	10 135 208
Change in actuary reserves	511 386
Net operating expenses	149 681 244
Acquisition costs incurred in the current year	134 269 449
INSURANCE TECHNICAL RESULT	50 746 785
B) LIFE INSURANCE	
Earned premium without counter-insurance	524 159 597
Gross premium	528 975 538
Insurance technical revenues from investments	80 049 397
Claim expenditure	401 810 347
Gross claim payment	398 087 082
Change in actuary reserves	15 864 559
Change in other reserves	12 801 572
Change in unit-linked reserves	127 030 723
Net operating expenses	98 984 175
Acquisition costs incurred in the current year	66 170 856
Insurance technical expenditure from investments	16 211 072
INSURANCE TECHNICAL RESULT	29 755 736
C) NON-INSURANCE TECHNICAL SETTLEMENTS	11 071 394
ORDINARY BUSINESS PROFIT	91 598 217
PROFIT (LOSS) BEFORE INCOME TAX	91 598 217
PROFIT AFTER TAX	86 649 759

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Activities of MABISZ Motor Insurance Bureau

Pursuant to the Act on Mandatory Third Party Liability Insurance, MABISZ operates the National Bureau, is in charge of the Compensation Body, the Information Centre and the Claims History Database as well as manages the Guarantee Fund (KSZ) and the Insolvency Fund (KALAP) through the Motor Insurance Bureau.

Within the MABISZ organisation the National Bureau, i.e. the organisation of the International Green Card System and of insurers operating in the Hungarian MTPL insurance market performs coordinational, claims management and settlement tasks arising from international motor insurance agreements and related treaties, including the operation of the Green Card Bureau, Compensation Body and Information Centre, within the framework of which it also fulfils its guarantee obligations.

In 2020, the National Bureau received 5.352 new claims, which was significantly higher than the figure reported for the previous year. The reason for this is that the National Bureau has ordered the transfer of a large number of files from some correspondents in order to protect the claimants and ensure the continuity of the claims settlement tasks. The National Bureau paid out in total HUF 1,611 mln compensation by the end of the year on behalf of foreign national bureaus and insurers, which is a 28% higher figure than in the previous year.

The Information Centre collects and manages the data related to the enforcement of claims from damages caused to third parties during the operation of vehicles, informs the interested parties and performs other tasks. In 2020 in total 17,949 cover confirmation queries were received, which showed a 20% decrease relative to the previous year. The decrease is clearly the effect of restrictions due to the pandemic situation.

The Compensation Body is an organisation operated by insurance companies writing MPTL in the Member State of the EU in which they are established. Its task is to assess and settle claims for damages caused to a Hungarian damaged party abroad by a vehicle registered in another Member State, if the insurance company of the damaging party fails to settle the claim. The claims managed by the National Bureau in 2020 made up 10% of the claims settled as the Compensation Body (135 claims).

The Guarantee Fund is a fund created by Act on the Mandatory Third Party Liability Insurance and financed by the insurance companies engaged in MTPL insurance for the purpose of receiving, assessing compensating reasonable claims for damages caused by parties not having any MTPL contract despite the obligatory insurance or caused by unknown vehicles or by vehicles insured by an insurance company whose operational licence has been withdrawn but is not yet subject to effective liquidation in the territory of Hungary. In 2020, a total of 4,892 motor vehicle, property, personal injury and annuity claims were reported to the Guarantee Fund, which is a decrease of 4.1% compared to the previous year. The Motor Insurance Bureau managing the Guarantee Fund paid out HUF 2,037 bln compensation on justified claims, which also included annuity payments. In contrast to previous years, in 2020 the debtors' ability to bear the burden and their willingness to pay decreased somewhat due to the economic effects of the pandemic. In 2020, the total result of our recourse activities reached HUF 967 million.

The Insolvency Fund (referred to by the Hungarian abbreviation as KALAP) is a fund established in Hungary based on the Act on the Mandatory Third Party Liability Insurance and financed by the insurance companies engaged in MTPL insurance, which covers damages caused by vehicles of oper-

ators covered by effective mandatory third party liability insurance at the time when they caused a damage, if liquidation procedure has started against the insurer managing the MTPL insurance. Insurance companies engaged in MTPL insurance must contribute maximum 0.25% of their premium revenue from that business line quarterly (i.e. 1% of their annual premium revenue) into the compensation fund, until its available assets are not higher than 6% of the MTPL premium revenue earned on the total market in the previous year.

By now the Motor Insurance Bureau accepted and assessed under KALAP claims in relation to the former MTPL policies of three insurers under liquidation: Astra (the liquidation of Astra started effectively in 2016), MÁV ÁBE and AIM. At the end of 2020 the managed assets of the Insolvency Fund and the current account and deposit balances (following the extractions of funds due to the liquidation of MÁV ÁBE in 2008 and AIM in 2014 as well as the Astra payments) amounted to approx. HUF 7,7 bln.

Member insurance companies

AEGON MAGYARORSZÁG



AEGON Magyarország Általános Biztosító Zrt.

1091 Budapest, Üllői út 1.
Postal address: 1368 Budapest, Pf. 245.
Telephone: (+36 1) 477-4800
Fax: (+36 1) 476-5710
Internet: <http://www.aegon.hu>
E-mail: ugyfelszolgalat@aegon.hu

Ownership structure:

AEGON Hungary Holding B.V. 50 %
AEGON Hungary Holding II B.V. 50 %
Alaptőke: 6.374.160.000 Ft

AGRÁR BIZTOSÍTÓ



Österreichische Hagelversicherung VvAG Magyarországi Fióktelepe

1088 Budapest, Baross u. 30. I.em.10.
Postal address: 1088 Budapest,
Baross u. 30. I.em.10
Telephone: (+36 1) 266-5119
Fax: (+36 1) 801-0899
Internet: <http://www.agrarbiztosito.hu>
E-mail: info@agrarbiztosito.hu

Ownership structure:

Österreichische Hagelversicherung VvAG 100%
Alaptőke: 3.000.000 Ft

ALLIANZ HUNGÁRIA



Allianz Hungária Biztosító Zrt.

1087 Budapest, Könyves Kálmán krt. 48-52.
Postal address: 1368 Budapest, Pf. 191
Telephone: +36 -1/20/30/70 421-1-421
Fax: (+36 1) 301-6100
Internet: <http://www.allianz.hu>
E-mail: ugyfelszolgalat@allianz.hu

Ownership structure:

Allianz New Europe Holding GmbH 100%
Alaptőke: 4.266.000.000 Ft

CARDIF



CARDIF Életbiztosító Magyarország Zárt- körűen Működő Részvénytársaság

1033 Budapest, Kórház u. 6-12. 2. em.
Postal address: 1033 Budapest,
Kórház u. 6-12. 2. em
Telephone: (+36 1) 501-2300
Fax: (+36 1) 430-2301
Internet: <http://www.bnpparibascardif.hu>
E-mail: cardif@cardif.hu

Ownership structure:

BNP Paribas Cardif 100%
Alaptőke: 1.425.000.000 Ft

CIG Pannónia Biztosító



CIG Pannónia Biztosító

1097 Budapest, Könyves K. krt. 11. B ép.
Népliget Center Business Center
Telephone: (+36 1) 510 0200
Fax: (+36 1) 247 2021
Internet: <https://www.cigpannonia.hu/>
E-mail: ugyfelszolgalat@cig.eu

Ownership structure:

Hungarikum Biztosítási Alkusz Kft. 32,85%
Vinton Vagyonkezelő Kft. 11,79%
Kaptár Befektetési Zrt. 5,34%
Móricz Gábor 5,29%
Közkezhányad 44,73%
Alaptőke: t

D.A.S.



Jogvédelmi Biztosító Zrt.

1082 Budapest, Futó utca 47-53.
IV. emelet
Postal address: 1428 Budapest, Pf. 9.
Telephone: +36 1 486 3600
Fax: +36 1 486 3601
Webcím: www.das.hu
Email: info@das.hu

Ownership structure:

ERGO Versicherung Aktiengesellschaft
100% Alaptőke: 322.560.000 Ft

EURÓPAI



Utazási Biztosító Zrt.

1132 Budapest, Váci út 36-38.
Postal address: 1132 Budapest,
Váci út 36-38.
Telephone: (+36 1) 452-3581
Fax: (+36 1) 452-3535
Internet: <https://www.eub.hu>
E-mail: info@eub.hu

Ownership structure:

Generali Biztosító Zrt. 61%
Europäische Reiseversicherung AG.,
München 26%
Europäische Reiseversicherung AG.,
Wien 13%
Alaptőke: 400.000.000 Ft

GENERALI



Biztosító Zrt.

1066 Budapest, Teréz krt. 42-44.
Postal address: 7602 Pécs, Pf. 888
Telephone: (+36 1) 301 7100
Fax: (+36 1) 452-3505
Internet: <http://www.generali.hu>
E-mail: generali.hu@generali.com

Ownership structure:

Generali CEE Holding B.V. 100%
Alaptőke: 4.500.000.000 Ft

GENERTEL



Biztosító Zrt.

1132 Budapest, Váci út 36-38.
Postal address: 7602 Pécs, Pf.: 999
Telephone: (+36 40) 30-40-50
Fax: (+36 1) 451-3881
Internet: <http://www.genertel.hu>
E-mail: genertel@genertel.hu

Ownership structure:

Generali Biztosító Zrt. 100%
Alaptőke: 1.180.000.000 Ft

GRAWE



Életbiztosító Zrt.

7630 Pécs, Kastély u. 2. A-B.
Postal address: 1124 Budapest,
Jagelló út 20/A
Telephone: (+36 72) 434-082 ,
(+36 1) 202-1211
Fax: (+36 72) 434-027 (+36 1) 355-5530
Internet: <http://www.grawe.hu>
E-mail: info@grawe.hu

Ownership structure:

Grazer Wechselseitige Versicherung
Aktiengesellschaft (Graz) 100%
Alaptőke: 800.000.000 Ft

GROUPAMA



Biztosító Zrt.

1146 Budapest, Erzsébet királyné útja 1/C.
Postal address: 1380 Budapest, Pf.: 1049.
Telephone: (+36 1) 373-7500
Fax: (+36 1) 373-7549
Internet: <https://www.groupama.hu>
E-mail: A biztosító weboldalán az „Írjon nekünk!” üzenetküldő felületen keresztül érhető el

Ownership structure:

Groupama Holding Filiales et Participation
100 %
Alaptőke: 9.376.000.000 Ft

K&H



Biztosító Zrt.

1095 Budapest, Lechner Ödön fasor 9.
Postal address: 1851 Budapest
Telephone: (+36 1) 461-5200
Fax: (+36 1) 461-5276
Internet: <http://www.kh.hu>
E-mail: biztosito@kh.hu

Ownership structure:

KBC Insurance N.V. (Belgium) 100%
Alaptőke: 4.780.000.000 Ft

KÖBE



Közép-európai Kölcsönös Biztosító Egyesület

1108 Budapest, Venyige u. 3.
Postal address: 1475 Budapest, Pf. 142
Telephone: (+36 1) 433-0830
Fax: (+36 1) 433-0848
Internet: <http://www.kobe.hu>
E-mail: kobe@kobe.hu

Ownership structure:

Egyesületi /tagi/ tulajdon
Alaptőke: 4.115.602.178 Ft

MAGYAR POSTA



Biztosító Zrt.

1022 Budapest, Bég u. 3-5.
Postal address: 1535 Budapest, Pf. 952
Telephone: (+36 1) 200-4800
Fax: (+36 1) 423-4210
Internet: <http://www.postabiztosito.hu>
E-mail: info@postabiztosito.hu

Ownership structure:

Talanx International AG 66,925%
Magyar Posta Zrt. 33,075%
Alaptőke: 754.625.000 Ft

MAGYAR POSTA



Életbiztosító Zrt.

1022 Budapest Bég u. 3-5.
Postal address: 1535 Budapest, Pf. 952
Telephone: (+36 1) 200-4800
Fax: (+36 1) 423-4210
Internet: <http://www.postabiztosito.hu>
E-mail: info@postabiztosito.hu

Ownership structure:

Talanx International AG 66,925%
Magyar Posta Zrt. 33,075%
Alaptőke: 1.990.964.000 Ft

MAGYAR ÜGYVÉDEK



Kölcsönös Biztosító Egyesülete

1136 Budapest, Hegedűs Gyula u. 8.
Postal address: 1136 Budapest,
Hegedűs Gyula u. 8
Telephone: (+36 1) 239-8989
Fax: (+36 1) 465-0786
Internet: <http://www.mubse.hu>
E-mail: mubse@mubse.hu

Ownership structure:

Egyesületi /tagi/ tulajdon
Alaptőke: 500.000 Ft

MEDICOVER Försäkrings AB (publ)



Magyarországi Fióktelepe

1134 Budapest, Váci út 29-31.
Postal address: 1134 Budapest,
Váci út 29-31.
Telephone: (+36 1) 465-3150
Fax: (+36 1) 465-3160
Internet: <http://www.medicover.hu>
E-mail: info@medicover.hu

Ownership structure:

Medicover Försäkrings AB (publ) SE 100%
Alaptőke: 1.000 Ft

METLIFE



Europe d.a.c Magyarországi Fióktelepe

1138 Budapest, Népfürdő u. 22.
Postal address: 1558 Budapest, Pf.:187
Telephone: (+36 1) 391-1300,
Fax: (+36 1) 391-1660
Internet: www.metlife.hu
E-mail: info@metlife.hu

Ownership structure:

MetLife Europe d.a.c. 100%
Alaptőke: 10.686.906.495 Ft

NN



Biztosító Zrt.

1068 Budapest, Dózsa György út 84/B
Postal address: 1068 Budapest,
Dózsa György út 84/B
Telephone: (+36 40) 464-464
Fax: (+36 1) 267-4833
Internet: <http://www.nn.hu>
E-mail: nn@nn.hu

Ownership structure:

NN Continental Europe Holdings B. V. 100%
Alaptőke: 5.435.000.000 Ft

SIGNAL IDUNA



Biztosító Zrt.

1123 Budapest, Alkotás u. 50.
Postal address: 1519 Budapest Pf. 280
Telephone: (+36 1) 458-4200
Fax: (+36 1) 458-4260
Internet: <http://www.signal.hu>
E-mail: info@signal.hu

Ownership structure:

SIGNAL IDUNA Allgemeine
Versicherung AG, Dortmund 100%
Alaptőke: 1.837.860.000 Ft

UNION



Vienna Insurance Group Biztosító Zrt.

1082 Budapest, Baross u. 1.
Postal address: 1461 Budapest, Pf. 131
Telephone: (+36 1) 486-4200
Fax: (+36 1) 486-4390
Internet: <http://www.unionbiztosito.hu>
E-mail: info@unionbiztosito.hu

Ownership structure:

Vienna Insurance Group AG
Wiener Versicherung Gruppe
(Ausztria) 98,64%
ERSTE Bank Hungary (Magyarország) 1,36%
Alaptőke: 5.000.000.000 Ft

UNIQA



Biztosító Zrt.

1134 Budapest, Róbert Károly krt. 70-74.
Postal address: 1134 Budapest,
Róbert Károly krt. 70-74.
Telephone: (+36 1) 544-5555
Fax: (+36 1) 238-6060
Internet: <http://www.uniqa.hu>
E-mail: info@uniqa.hu

Ownership structure:

UNIQA Internationale Beteiligungs-
Verwaltungs GmbH 99,92%
UNIQA International AG 0,08%
Alaptőke: 4.079.160.000 Ft

Supporting member

EUROP ASSISTANCE



Magyarország Kft.

1134 Budapest, Dévai u. 26-28.
Postal address: 1399 Budapest,
Pf. 694/324
Telephone: (+36 1) 458-4444
Fax: (+36 1) 458-4404
Internet: <http://www.europ-assistance.hu>
E-mail: operation@europ-assistance.hu

Ownership structure:

Europ Assistance Holding S.A. 74%
Generali Biztosító Zrt. 26%
Alaptőke: 24.000.000 Ft

DESIGN BY BRANDCONTROL



Kiadja:

Magyar Biztosítók Szövetsége
1062 Budapest, Andrássy út 93.

Telephone: (+36 1) 802-8400 Fax: (+36 1) 802-8499
<http://www.mabisz.hu>