

HDI Global SE

2025 Solvency and Financial Condition Report

General information

HDI Global SE's Solvency and Financial Condition Report reports monetary units in thousands of euros (EUR thousand) throughout. Prior-year figures are shown in brackets.

Tables show monetary amounts equal to or less than EUR 0.5 thousand as a 0. Where figures are not available for the company, these are displayed in tables with a –.

Tables may include rounding differences of +/- one unit due to presentation in thousands of euros (EUR thousand) and for mathematical reasons.

This report is a translation of the German version of the SFCR that was submitted to the German supervisory authority, BaFin. The report in German is therefore the authoritative version.

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Summary

This report includes qualitative and quantitative information on HDI Global SE's solvency and financial condition as at the reporting date 31 December 2025. As part of the reporting required by regulatory authorities, it is intended directly for the public and aims to explain the key indicators and the accounting policies used for these under Solvency II. The report is structured in accordance with Articles 290 et seq. of the Commission Delegated Regulation (EU) 2015/35 (DVO) with the chapters titled accordingly. The key indicators used to assess the company's solvency are based on an internal model. It thus adequately reflects the undertaking's specific risk profile.

HDI Global SE's divisions essentially cover fire and other damage to property insurance, general liability insurance, marine, aviation and transport insurance and motor vehicle liability insurance, which account for the largest share of business in terms of premiums. Measured by premiums written, Germany, France, United Kingdom and Belgium are the most important geographical regions in which insurance business is generated. As at the reporting date, the net technical result before the equalisation reserve came to EUR 357,086 thousand. The combined net ratio was 85.2% for the reporting period. The company disclosed a profit transfer of EUR 419,983 thousand to the parent company for the financial year.

There were no material changes to the system of governance in the reporting period. Following the entry of the relevant amendment to the Articles of Association in the commercial register on 7 January 2026, the number of Supervisory Board members was reduced from six to three.

Risk management is an integral part of enterprise management and is subject to an ongoing improvement process. As part of proper risk management, all company risks are consistently defined, structured and systematically (in all operating processes, functions and at all hierarchy levels) and promptly recorded, assessed and monitored on a company-wide basis. The risk management process is complemented by the requirements of the limit and threshold system, which impose limits for the capital adequacy ratio and the key risk categories.

HDI Global SE's risk profile is described using the key categories market risk, underwriting risk, credit risk, liquidity risk and operational risk. It should be noted that defaults by issuers of securities are not included in credit risk but in market risk. The risks are quantified and risk-bearing capacity determined using the internal model. This was approved by the German Federal Financial Supervisory Authority (BaFin) in November 2015. The expansion to include the components of operational risk was certificated in September 2019 and applied for the first time for the quarterly period for the reporting date as at 30 September 2019. The overall solvency needs of HDI Global SE, as a result of the internal model, came to EUR 2,396,717 thousand as at 31 December 2025. To ensure a complete view, all information from the risk management processes – including on risks that have been analysed only on a qualitative basis – is used for the assessment. This information is monitored and evaluated as part of the risk management processes. At 67.0%, the risk profile is dominated by market risk. The underwriting risk, including operational risk and the reinsurance default risk, accounts for 33.0% of overall risk (after diversification). Various sensitivity calculations were carried out in the reporting year on the basis of the results of the internal model.

A dynamic volatility adjustment was applied at the end of 2025. This affects the own funds recognised on the opening balance sheet, as well as the company's capital at risk. At the start and in the risk step, the technical provisions were discounted not only risk-free but also with a spread. In the risk step, this spread is stochastic, resulting in a hedging effect with the asset-side spread risks in the overall balance sheet view. This reduces the estimate of the company's spread risk. Own funds are slower to respond to spread changes. At the end of 2025, these two effects increased the capital adequacy ratio (CAR) by 10.9 percentage points to 198.0%.

The solvency balance sheet shows the extent to which the obligations incurred by an insurance undertaking are covered by assets under certain risk assumptions. For this purpose, financial balance sheet positions under German commercial law are reassessed.

As at 31 December 2025, HDI Global SE had basic own funds of EUR 4,746,607 thousand. The company does not have any ancillary own funds within the meaning of Solvency II. Together with the SCR of EUR 2,396,717 thousand, the capital adequacy ratio (eligible own funds divided by the Solvency Capital Requirement) is 198.0%. The Minimum Capital Requirement is EUR 1,013,137 thousand.

In conclusion, HDI Global SE thus has a functioning system of governance that is appropriate for managing risk and shows strong capitalisation for covering all risks.

From today's perspective – despite unavoidable modelling uncertainties due to limited information and methodological constraints – there are no risks that pose an existential threat to the net assets, financial position and results of operations of HDI Global SE. Solvency requirements are met in full, and capital resources are continuously reviewed in light of potential changes to the risk profile. The risk management system continuously monitors the assumption and changes in risks and responds flexibly to internal and external developments, such as geopolitical or economic challenges.

A Business and Performance

A.1 Business

Company information

HDI Global SE has been a leading insurer for groups, industrial and medium-sized undertakings for decades. A strong and capable partner, the company covers all the needs of industrial and commercial customers in the trading, production and service sectors for tailored insurance solutions. As well as the company's excellent presence on the German market, it also operates in more than 175 countries through its branches, subsidiaries, affiliates and network partners. In addition to its German branches, HDI Global SE has overseas branches in the following cities: Paris, London, Rotterdam, Brussels, Sydney, Madrid, Milan, Zurich, Toronto, Singapore, Tokyo, Athens, Hong Kong, Copenhagen, Dublin, Labuan, Lisbon and Oslo. This means that the company can serve global customers using local policies, ensuring that the service and insurance cover can be provided around the world for all risks included.

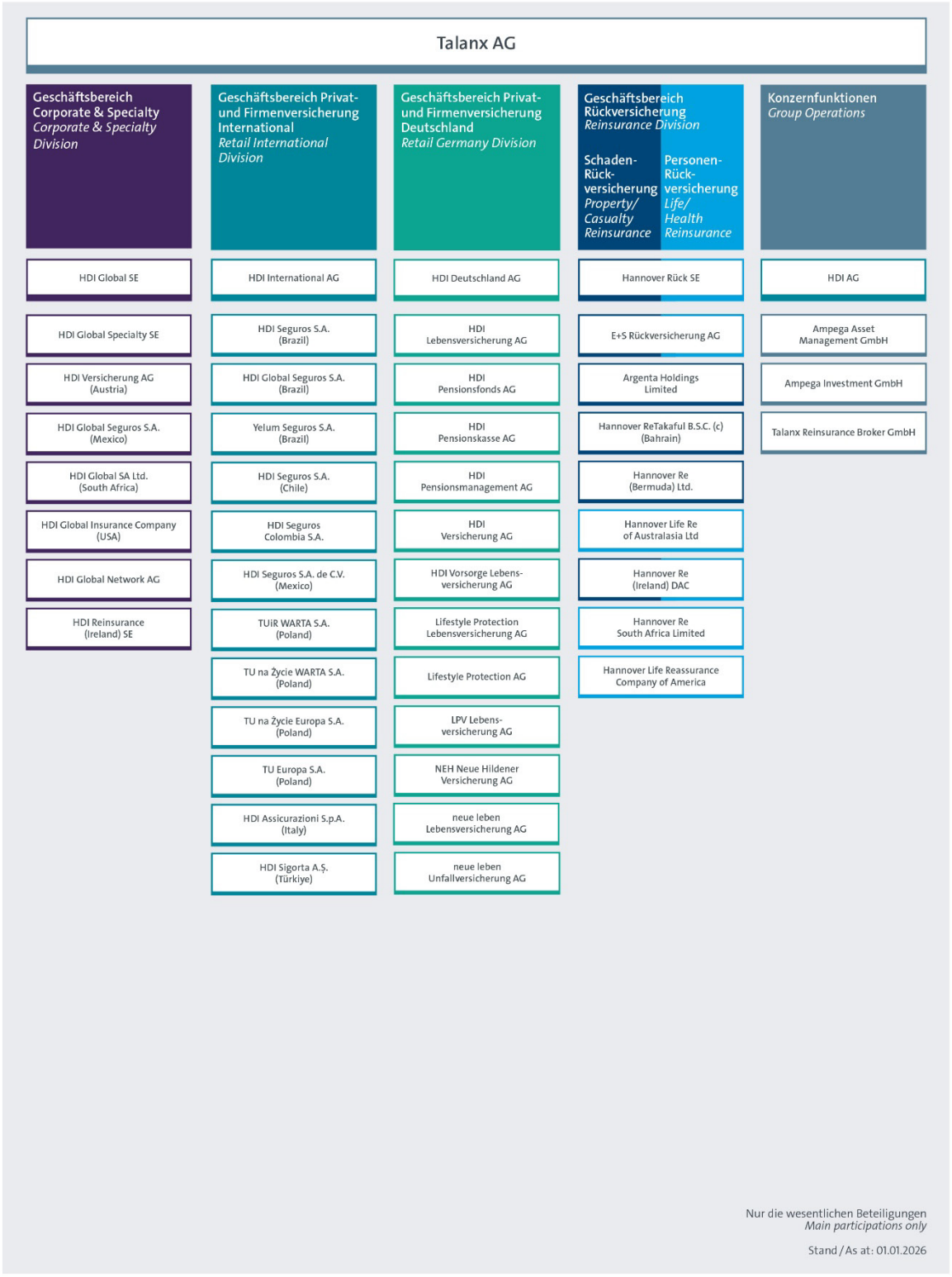
HDI Global SE essentially operates in property, general liability, motor and transport insurance.

HDI Global SE is part of the HDI Group and is responsible in this Group for the Corporate & Specialty division. It is a subsidiary of Talanx AG and its head offices are located at HDI-Platz 1, 30659 Hannover, Germany. Talanx AG, also based at HDI-Platz 1, 30659 Hannover, Germany has a 100.0% interest in HDI Global SE. HDI Haftpflichtverband der Deutschen Industrie V.a.G. (HDI V.a.G.) is the ultimate parent undertaking of the HDI Group and is also based at HDI-Platz 1, 30659 Hannover, Germany. HDI V.a.G. owns 76.7% of the shares in Talanx AG.

The following diagram shows the position of the company within the HDI Group and the material Group companies:

Konzernstruktur
Group structure

talanx.



Nur die wesentlichen Beteiligungen
Main participations only

Stand / As at: 01.01.2026

HDI Global SE is regulated by the German Federal Financial Supervisory Authority (BaFin). The BaFin is also responsible for regulating the entire HDI Group. The BaFin can be contacted at:

Address of the German Federal Financial Supervisory Authority (BaFin):
Graurheindorfer Straße 108
53117 Bonn, Germany

Alternatively:
P. O. Box 1253
53002 Bonn, Germany

Contact information for the German Federal Financial Supervisory Authority (BaFin):
Telephone: 0228 4108-0
Fax: 0228 4108-1550

E-mail: poststelle@bafin.de or Germany e-mail: poststelle@bafin.de-mail.de

The auditors appointed by the Supervisory Board are PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Fuhrberger Strasse 5, 30625 Hannover, Germany.

The following table gives an overview of the key holdings in related undertakings and participations. This information may differ slightly from the solvency balance sheet in chapter D:

Name/legal form/country	Share of capital in % [1)]
Augusta Ireland 4 Limited Partnership, Ireland	100.0
Augusta Ireland 6 Limited Partnership, Ireland	100.0
Caplantic AIF, SICAV-SIF S.C.Sp., Luxembourg	24.7
Danae, Inc, USA	100.0
DUNSTAN AB, Sweden	100.0
EIP Gas Transit Switzerland SCS, Luxembourg	16.3
EIP Wind Power Central Norway SCS, Luxembourg	11.0
Extremus Versicherungs-AG, Germany	13.0
Falcon Risk Holdings LLC, USA	83.0
Ferme Eolienne des Mignaudieres SNC, France	100.0
Funderburk Lighthouse Limited, Cayman Islands	100.0
HDI AI EUR Beteiligungs-GmbH, Germany	100.0
HDI AI USD Beteiligungs-GmbH, Germany	100.0
HDI Global Insurance Company, USA	100.0
HDI Global (DIFC) Ltd, United Arab Emirates	100.0
HDI Global Network AG, Germany	100.0
HDI Global Network AG Escritório de Representaçao no Brasil Ltda, Brazil	100.0
HDI Global SA Ltd., South Africa	100.0
HDI Global SE – UK Services Limited, UK	100.0
HDI Global Seguros S.A., Mexico	100.0
HDI Global Legal Expenses Claims Management GmbH, Germany	100.0
HDI Global Specialty SE, Germany	100.0
HDI Global Select Insurance Company, USA	100.0
HDI Global UK Limited	100.0
HDI Reinsurance (Ireland) SE, Ireland	100.0
HDI Risk Consulting GmbH, Germany	100.0
HDI Specialty Insurance Company, USA	100.0
HDI Versicherung AG, Austria	100.0
Heuberg S.L., Spain	15.0
HG CROSS 1 GmbH & Co. KG, Germany	100.0
IVEC Institutional Venture and Equity Capital GmbH, Germany	23.8
Le Souffle des Pellicornes S.N.C, France	100.0
Petro Vietnam Insurance Holdings Joint Stock Corporation, Vietnam	51.1
Riethorst Grundstücksgesellschaft AG & Co. KG, Germany	50.0
Sustainable Timber Asia GmbH, Germany	17.4
Svedea AB, Sweden	100.0
Svedea Skadeservice AB, Sweden	100.0
Talanx Infrastructure France 1 GmbH, Germany	100.0

Name/legal form/country	Share of capital in % [1)]
Talanx Infrastructure Portugal GmbH, Germany	30.0
Teko – Technisches Kontor für Versicherungen GmbH, Germany	12.0
VOV GmbH, Germany	38.0
Windfarm Bellheim GmbH & Co. KG, Germany	15.0
Windpark Vier Fichten GmbH & Co. KG, Germany	100.0
WP Berngerode GmbH & Co. KG, Germany	20.0
WP Mörsdorf Nord GmbH & Co. KG, Germany	25.0
Zweite Riethorst Grundstücksgesellschaft AG & Co. KG, Germany	50.0

[1)] The shareholding is calculated by adding together all directly and indirectly held shares.

Material transactions

The reporting year was largely defined by geopolitical and macroeconomic uncertainty. Despite the effects mentioned above and additional provisions for risks made during the financial year, the net technical result has increased compared to the prior year and is well above expectations. Profitability measures and the ongoing hard market phase are continuing to have a positive effect on the combined ratio. The expense ratio is significantly higher than in the prior year. The investment income is significantly below expectations and lower than in the prior year due to the targeted realisation of hidden liabilities and the assumption of losses by HDI Global Specialty SE; nevertheless, it makes a positive contribution to the net income.

Due to new regulations from the UK's Prudential Regulation Authority (PRA), policies under the Financial Services Compensation Scheme (FSCS) – which primarily concern the motor and liability insurance divisions – have, since 1 October 2025, no longer been renewed by the UK branch but by the newly established company HDI Global UK Limited.

The sales office in Dubai, opened in 2024 on behalf of the Singapore branch, was able to drive forward the expansion target in the Middle East, particularly in the engineering insurance and property and fire insurance divisions.

A.2 Underwriting performance

The net technical result before the equalisation reserve is shown in the following pages to chapter A.2.

In addition, it should also be noted that the HGB values shown here are, in accordance with the Solvency II allocation, to some extent different from the breakdown under the German Regulation on the Accounting of Insurers (Verordnung über die Rechnungslegung von Versicherungsunternehmen – RechVersV) and so can be compared against HDI Global SE's annual report only to a limited extent.

The following table shows gross written premium for HDI Global SE as a whole in the financial year:

Divisions	2025 EUR thousand, gross	Share in %
Fire and other damage to property insurance	3,363,857	47 %
General liability insurance	2,163,361	30 %
Marine, aviation and transport insurance	776,717	11 %
Motor vehicle liability insurance	449,104	6 %
Other motor insurance	262,693	4 %
Occupational disability insurance	88,985	1 %
Legal expenses insurance	23,808	0 %
Credit and suretyship insurance	0	0 %
Annuities stemming from non-life insurance contracts and relating to health insurance obligations	0	0 %
Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	0	0 %
Total	7,128,524	100 %

The overall business and the three most important divisions are explained below in qualitative and quantitative terms on a net basis. The sign convention in accordance with the BaFin Guidance Notice on Solvency II reporting for primary and reinsurance undertakings and insurance groups requires a positive figure where the change is negative (decrease in other technical provisions that result in income) and a negative figure where the change is positive (increase in other technical provisions that result in an expense).

Total	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	2,703,280	2,518,211
Premiums earned	2,656,842	2,430,979
Claims incurred	1,552,790	1,606,674
Changes in other technical provisions	-743	5,921
Administrative expenses	504,087	454,187
Loss adjustment expenses	215,453	175,084
Acquisition expenses	-9,984	-69,232
Expenses for premium refunds	18,879	9,277
Other technical income	4,860	7,744
Other technical expenses	24,132	18,967
Net technical result	357,086	249,687

Net written premiums for HDI Global SE rose by 7.3% in the reporting period to EUR 2,703,280 (2,518,211) thousand, with premiums earned also rising by 9.3% to EUR 2,656,842 (2,430,979) thousand. This is due in particular to the growth in the portfolio of international fire insurance and general liability insurance business.

At EUR 1,552,790 (1,606,674) thousand, claims incurred were below the prior year's level. The run-off gain increased by EUR -206,587 thousand compared to the prior year to EUR -437,169 (-230,581) thousand. By contrast, the loss expenses for the financial year increased by EUR 152,704 thousand to EUR 1,989,959 (1,837,255).

The change in other technical provisions for insurance policies amounted to EUR 6,664 thousand, bringing the total to EUR -743 (5,921) thousand.

In accordance with unit cost accounting, administrative expenses of EUR 504,087 (454,187) thousand comprised EUR 122,155 (112,399) thousand in administrative expenses related to acquisition activities and EUR 381,931 (341,788) thousand in administrative expenses in the narrower sense.

The loss adjustment expenses have risen as seen against the same comparative period last year and amount to EUR 215,453 (175,084) thousand, of which EUR 80,798 (84,541) thousand relates to payments for external loss adjustment costs, EUR 129,236 (118,746) thousand to payments for internal loss adjustment costs and EUR 5,419 (-28,204) thousand to the change in provisions for loss adjustment.

The above-mentioned acquisition expenses totalled EUR -9,984 (-69,232) thousand, comprising acquisition commission of EUR 38,461 (35,268) thousand and administration commission of EUR -48,445 (-104,500) thousand.

The increase in expenses for premium refunds by EUR 9,602 thousand to EUR 18,879 (9,277) thousand is mainly due to the positive claims experience in the relevant divisions.

In total, other technical expenses increased by EUR 5,165 thousand to EUR 24,132 (18,967) thousand.

The profit for the financial year increased by EUR 107,399 thousand to EUR 357,086 (249,687) thousand as a result of lower large losses.

Material divisions

The most important divisions – fire and other damage to property insurance, general liability insurance and marine, aviation and transport insurance – are explained in more detail below.

Fire and other damage to property insurance

Fire and other damage to property insurance	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	1,076,249	1,003,264
Premiums earned	1,041,857	934,520
Claims incurred	478,182	607,423
Changes in other technical provisions	-1,010	1,247
Administrative expenses	225,433	204,744
Loss adjustment expenses	45,603	66,024
Acquisition expenses	-42,571	-79,256
Expenses for premium refunds	631	1,844
Other technical income	4,844	4,521
Other technical expenses	22,115	16,945
Net technical result	318,318	122,562

HDI Global SE's fire insurance division includes the property line of business (fire) and the other damage to property insurance division includes the multi risk, engineering and comprehensive householders insurance lines of business. In total, this other property insurance accounts for EUR 302,419 (278,278) thousand of premiums written of EUR 1,076,249 (1,003,264) thousand. Premiums earned totalled EUR 1,041,857 (934,520) thousand, with EUR 276,720 (246,036) thousand of this attributable to the other damage to property insurance division. In particular, the extremely sharp rise in premiums abroad has offset the decline in premiums domestically, resulting in overall growth.

Net claims incurred amounted to EUR 478,182 (607,423) thousand, which is lower than in the prior year. This decrease is attributable to lower loss expenses for the financial year and higher run-off income.

The change in other technical provisions for insurance policies decreased by EUR 2,257 thousand to EUR -1,010 (1,247) thousand.

In accordance with unit cost accounting, administrative expenses were up on the prior year at EUR 225,433 (204,744) thousand and comprised EUR 56,348 (52,538) thousand in administrative expenses related to acquisition activities and EUR 169,085 (152,207) thousand in general administrative expenses.

Expenses for loss adjustment totalled EUR 45,603 (66,024) thousand, of which EUR 14,326 (18,421) thousand was attributable to payments for external loss adjustment expenses, EUR 39,707 (38,444) thousand to payments for internal loss adjustment expenses and EUR -8,429 (9,160) thousand to the change in provisions for loss adjustment.

The acquisition expenses of EUR -42,571 (-79,256) thousand, which comprise acquisition commission of EUR 16,135 (14,671) thousand and administration commission of EUR -58,706 (-93,927) thousand, were down EUR 36,685 thousand compared to the prior year.

In total, other technical expenses increased by EUR 5,170 thousand to EUR 22,115 (16,945) thousand.

The net technical profit before the equalisation reserve increased by EUR 195,756 thousand to EUR 318,318 (122,562) thousand, which, compared to the prior year, is primarily attributable to the improved claims experience and strong premium growth in international markets. The fire and other damage to property insurance division thus contributes to the positive overall result of HDI Global SE.

General liability insurance

General liability insurance	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	1,016,379	1,040,135
Premiums earned	1,022,780	1,011,732
Claims incurred	755,721	668,110
Changes in other technical provisions	-850	123
Administrative expenses	165,275	145,300
Loss adjustment expenses	119,580	49,708
Acquisition expenses	37,722	31,475
Expenses for premium refunds	-579	-1,219
Other technical income	-147	-557
Other technical expenses	1,172	1,199
Net technical result	-55,409	116,725

Premiums written in the general liability insurance division amounted to EUR 1,016,379 (1,040,135) thousand, representing a decrease of 2.3% compared to the prior year. This division comprises the lines of general liability insurance, personal liability, financial loss liability, D&O (directors & officers), crisis management, cyber and environmental liability. The general liability insurance line accounts for the greatest share with EUR 980,723 (1,022,100) thousand. The general liability insurance line generated EUR 995,504 (993,081) thousand of the total premiums earned of EUR 1,022,780 (1,011,732) thousand.

Claims incurred increased to EUR 755,721 (668,110) thousand. This is due to an increase in loss expenses for the financial year of EUR 178,179 thousand to EUR 809,678 (631,500) thousand. A run-off gain of EUR -53,957 (36,611) thousand has been recognised.

The change in other technical provisions for insurance policies decreased by EUR 973 thousand to EUR -850 (123) thousand.

In accordance with unit cost accounting, administrative expenses of EUR 165,275 (145,300) thousand comprised EUR 45,997 (40,929) thousand in administrative expenses related to acquisition activities and EUR 119,278 (104,371) thousand in general administrative expenses.

The loss adjustment expenses rose to EUR 119,580 (49,708) thousand, of which EUR 59,059 (51,696) thousand relates to payments for external loss adjustment costs, EUR 44,643 (42,533) thousand to payments for internal loss adjustment costs and EUR 15,878 (-44,521) thousand to the change in provisions for loss adjustment.

The acquisition expenses of EUR 37,722 (31,475) thousand, which comprise acquisition commission of EUR 13,613 (13,176) thousand and administration commission of EUR 24,109 (18,299) thousand, increased by EUR 6,247 thousand compared to the prior year.

The profit for the financial year fell by EUR 172,134 thousand to EUR -55,409 (116,725) thousand as a result of higher loss expenses and increased loss adjustment expenses.

Marine, aviation and transport insurance

Marine, aviation and transport insurance	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	78,089	75,291
Premiums earned	76,836	87,137
Claims incurred	9,504	29,485
Changes in other technical provisions	-201	1,350
Administrative expenses	49,918	46,457
Loss adjustment expenses	5,211	14,429
Acquisition expenses	-21,525	-24,517
Expenses for premium refunds	9,642	2,914
Other technical income	21	33
Other technical expenses	206	401
Net technical result	24,102	19,350

The marine, aviation and transport insurance division comprises largely the marine and transport insurance line since 2018 due to a full cession of the aviation line to HDI Reinsurance (Ireland) SE and HDI Global Specialty SE respectively. Premiums written increased by EUR 2,798 thousand compared to the prior year, whilst premiums earned fell by EUR 10,031 thousand compared to the prior year.

Claims incurred fell to EUR 9,504 (29,485) thousand compared to the prior year.

The change in other technical provisions for insurance policies fell by EUR 1,551 thousand to EUR -201 (1,350) thousand.

In accordance with unit cost accounting, administrative expenses of EUR 49,918 (46,457) thousand comprised EUR 10,684 (10,235) thousand in administrative expenses related to acquisition activities and EUR 39,235 (36,222) thousand in general administrative expenses.

Expenses for loss adjustment totalled EUR 5,211 (14,429) thousand, of which EUR -6,836 (-3,777) thousand was attributable to payments for external loss adjustment expenses, EUR 14,964 (14,067) thousand to payments for internal loss adjustment expenses and EUR -2,917 (4,139) thousand to the change in provisions for loss adjustment.

The acquisition expenses of EUR -21,525 (-24,517) thousand, which comprise acquisition commission of EUR 5,746 (4,811) thousand and administration commission of EUR -27,271 (-29,328) thousand, were down EUR 2,992 thousand compared to the prior year.

Expenses relating to premium refunds increased by EUR 6,728 thousand to EUR 9,642 (2,914) thousand.

With a gain of EUR 24,102 (19,350) thousand, the net technical result before the equalisation reserve had a positive impact on the company’s result.

Geographical areas

HDI Global SE has branches in key foreign target markets in order to ensure local presence for international customers. This allows HDI Global SE to generate additional growth opportunities outside its German domestic market both in new markets and in new customer segments. Chapter A.1 lists HDI Global SE's branches.

The four main geographical areas of business activity within the European Union, based on premiums written, are:

- Germany
- France
- Belgium
- Italy

The following section provides a more detailed overview of the key geographical areas: Germany, France, Belgium and Italy.

Germany

Germany	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	1,155,920	1,394,460
Premiums earned	1,244,185	1,374,946
Claims incurred	753,568	1,021,942
Changes in other technical provisions	605	2,879
Administrative expenses	292,954	259,802
Loss adjustment expenses	110,539	128,977
Acquisition expenses	-14,383	-1,683
Expenses for premium refunds	101	1,015
Other technical income	154	139
Other technical expenses	3,893	2,186
Net technical result	97,063	-34,275

Premiums written in Germany decreased by 17.1% to EUR 1,155,920 (1,394,460) thousand. The divisions of general liability insurance with EUR 419,988 (576,159) thousand, fire and other damage to property insurance with EUR 390,943 (514,193) thousand and motor vehicle liability insurance and other motor insurance with EUR 265,929 (233,214) thousand account for the largest share of business in Germany. The main reasons for the decline in premiums are attributable to the loss of customers and changes in the reinsurance structure within the general liability insurance and fire and other damage to property insurance divisions. Premiums earned amounted to EUR 1,242,185 (1,374,946) thousand, thereby matching the development in premiums written.

Claims incurred fell compared to the prior year to EUR 753,568 (EUR 1,021,942 thousand) and declined primarily in the fire, motor third-party liability and other motor insurance divisions.

The change in other technical provisions for insurance policies decreased by EUR 2,274 thousand to EUR 605 (EUR 2,879 thousand).

According to unit cost accounting, administrative expenses comprised administrative expenses relating to acquisition activities and administrative expenses in the general sense and, at EUR 292,954 (259,802) thousand, are above the prior year's level. The acquisition expenses of EUR -14,383 (-1,683) thousand were commission comprising acquisition commission of EUR 11,692 (14,501) thousand and administration commission of EUR -26,220 (-16,184) thousand.

Expenses for loss adjustment amounted to EUR 110,539 (128,977) thousand, EUR 40,162 (42,893) thousand of which is attributed to external loss adjustment expenses, EUR 75,361 (73,403) thousand to internal loss adjustment expenses and EUR -4,985 (12,681) thousand to the change in provisions for loss adjustment.

The net technical result before the equalisation reserve improved, particularly in the motor vehicle liability insurance, other motor insurance and aviation and transport insurance divisions, whereas a significant deterioration was recorded in general liability and fire and other damage to property insurance, amounting to EUR 97,063 (-34,275) thousand.

France

France	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	267,177	219,715
Premiums earned	264,204	219,925
Claims incurred	130,346	101,196
Changes in other technical provisions	-36	196
Administrative expenses	36,312	32,466
Loss adjustment expenses	30,475	-5,500
Acquisition expenses	2,057	-5,583
Expenses for premium refunds	9,088	4,134
Other technical income	853	4,012
Other technical expenses	5,642	4,717
Net technical result	51,174	92,703

Premiums written in France amounted to EUR 267,177 (219,715) thousand in 2025. The main contributors to this were the fire and other damage to property insurance divisions, with EUR 98,829 (56,557) thousand, and general liability insurance, with EUR 93,440 (97,806) thousand). Compared to the prior year, there was an overall increase in premiums of 21.6%. The main driver of growth is the fire and other damage to property insurance division. Premiums earned equalled EUR 264,204 (219,925) thousand.

Claims incurred totalled EUR 130,346 (101,196) thousand in the current year and are made up of loss expenses for the financial year amounting to EUR 138,300 (117,885) thousand and a run-off gain of EUR 7,953 (16,689) thousand.

Administrative expenses of EUR 36,312 (32,466) thousand in 2025, as calculated under the unit cost accounting system, comprise acquisition expenses of EUR 13,674 (12,647) thousand and administrative costs of EUR 22,638 (19,819) thousand.

Of the EUR 30,475 (-5,500) thousand in loss adjustment expenses, EUR 12,402 (11,391) thousand of this can be attributed to external and EUR 7,916 (6,200) thousand to internal loss adjustment expenses. In addition, a provision allocation for loss adjustment costs of EUR 10,158 (-23,091) thousand has been recognised.

The acquisition expenses of EUR 2,057 (-5,583) thousand incurred in 2025 were commission comprising acquisition commission of EUR 4,513 (3,848) thousand and administration commission of EUR -2,456 (-9,430) thousand.

With a gain of EUR 51,174 (92,703) thousand, the net technical result in France had a positive impact on the company’s result.

Belgium

Belgium	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	96,654	99,148
Premiums earned	95,806	100,945
Claims incurred	16,637	49,564
Changes in other technical provisions	-127	366
Administrative expenses	13,848	12,790
Loss adjustment expenses	8,615	10,805
Acquisition expenses	-7,217	-6,765
Expenses for premium refunds	9,548	3,027
Other technical income	14	20
Other technical expenses	-1,476	-1,934
Net technical result	55,991	33,843

Premiums written in Belgium amounted to EUR 96,654 (99,148) thousand in 2025. They comprise the divisions of general liability insurance with EUR 47,407 (43,077) thousand, fire and other damage to property insurance with EUR 37,504 (36,601) thousand and marine, aviation and transport insurance with EUR 11,401 (19,132) thousand. The 2.5% decline in premiums compared to the prior year is primarily attributable to the marine, aviation and transport insurance division. Premiums earned equalled EUR 95,806 (100,993) thousand.

Claims incurred totalled EUR 16,637 (49,564) thousand and comprised loss expenses for the financial year of EUR 45,673 (60,532) thousand and a run-off gain of EUR 29,036 (10,968) thousand. Of the EUR 8,615 (10,805) thousand in loss adjustment expenses, EUR 5,416 (3,411) thousand of this can be attributed to external and EUR 5,642 (4,212) thousand to internal loss adjustment expenses. In addition, there is a reversal of the provisions for loss adjustment expenses in the amount of EUR 2,443 (-3,152) thousand.

In accordance with unit cost accounting, administrative expenses of EUR 13,848 (12,790) thousand comprised EUR 3,302 (2,948) thousand in acquisition expenses and EUR 10,546 (9,842) thousand in administrative expenses.

The acquisition expenses of EUR -7,217 (-6,765) thousand were commission comprising acquisition commission of EUR 3,097 (2,649) thousand and administration commission of EUR -10,314 (-9,414) thousand.

Expenses relating to premium refunds increased by EUR 6,521 thousand compared to the prior year, reaching EUR 9,548 (3,027) thousand.

With a gain of EUR 55,991 (33,843) thousand, the net technical result in Belgium had a positive impact on the company’s result.

Italy

Italy	2025 EUR thousand, net	2024 EUR thousand, net
Premiums written	110,374	103,803
Premiums earned	107,500	93,255
Claims incurred	44,540	35,009
Changes in other technical provisions	84	-153
Administrative expenses	11,885	10,183
Loss adjustment expenses	4,735	7,025
Acquisition expenses	4,197	5,258
Expenses for premium refunds	132	123
Other technical income	33	27
Other technical expenses	2,150	2,070
Net technical result	39,810	33,462

Premiums written in Italy for the current year amount to EUR 110,374 (103,803) thousand. They comprise the divisions of general liability insurance with EUR 51,127 (55,509) thousand, fire and other damage to property insurance with EUR 42,335 (31,932) thousand as well as marine, aviation and transport insurance with EUR 4,866 (4,024) thousand. Compared to the prior year, this represents an overall increase in premiums of 6.3%, which is attributable in particular to the fire and other damage to property insurance division. Premiums earned equalled EUR 107,500 (93,255) thousand.

Claims incurred totalled EUR 44,540 (35,009) thousand and comprised loss expenses for the financial year of EUR 51,345 (45,020) thousand and a run-off gain of EUR 6,805 (10,011) thousand. Of the loss adjustment expenses amounting to EUR 4,735 (7,025) thousand, EUR 2,263 (4,026) thousand relates to payments for external loss adjustment costs and EUR 4,568 (EUR 2,778) thousand to payments for internal loss adjustment costs. This is offset by a release of provisions for loss adjustment costs amounting to EUR 2,097 (-220) thousand.

In accordance with unit cost accounting, administrative expenses of EUR 11,885 (10,183) thousand comprised EUR 3,430 (2,903) thousand in acquisition expenses and EUR 8,455 (7,280) thousand in administrative expenses.

The acquisition expenses of EUR 4,197 (5,258) thousand were commission comprising acquisition commission of EUR 2,890 (2,090) thousand and administration commission of EUR 1,307 (3,167) thousand.

With a gain of EUR 39,810 (33,462) thousand, the net technical result in Italy had a positive impact on the company’s result.

A.3 Investment performance

HDI Global SE's net investment income in accordance with HGB totalled EUR 305,706 (454,825) thousand in the 2025 financial year. This corresponds to a net interest rate of 2.9% (4.5%) and includes general expenses/income (not allocated) in the amount of EUR -6,236 (-9,077) thousand, which mainly consist of administrative expenses.

There is also interest income from deposits to cedants of EUR 15 (36) thousand, which is not shown in the table for 2025 below.

Income and expenses, broken down by the individual asset classes, are shown in the table below. The aforementioned general expenses/income (not allocated) cannot be allocated to any of the asset classes. Where available, the real estate item includes both property for own use and rented property and so the portfolio stated and the related earnings figures match the disclosures under commercial law in the annual report.

	Ordinary income		Ordinary expenses		Extraordinary income		Extraordinary expenses		Accounting result	
EUR thousand	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Real estate	13,725	13,987	9,356	8,141	-	-	420	-	3,948	5,845
Holdings in related undertakings, including participations	181,888	228,156	77,873	-	-	68,253	-	244	104,014	296,165
Equities – listed	1	-	-	-	-	-	-	-	1	-
Equities – unlisted	-	-	-	-	-	-	0	-	-0	-
Government bonds	44,858	37,365	-	-	3,697	11,405	18,564	24,917	29,991	23,853
Corporate bonds	119,786	112,553	4	-	9,142	9,832	41,320	64,664	87,604	57,721
Structured notes	-	-	-	-	-	-	-	-	-	-
Collateralised securities	15,244	22,054	-	-	215	170	14	5	15,445	22,219
Collective investment undertakings	66,124	46,107	-	-	8,485	11	18,347	3,761	56,261	42,357
Derivatives	-	-	-	-	-	-	-	-	-	-
Deposits other than cash equivalents	6,757	7,138	103	47	-	-	-	-	6,654	7,091
Loans on policies	5	-	-	-	-	-	-	-	5	-
Loans/mortgages (excluding loans on policies)	8,135	8,651	12	-	-	-	103	1	8,019	8,650
Cash (and cash equivalents)*	-	-	-	-	-	-	-	-	-	-
Expenses/income (not allocated)	1,476	214	7,712	9,291	-	-	-	-	-6,326	-9,077
Total	457,997	476,225	95,060	17,479	21,539	89,671	78,770	93,592	305,706	454,825

*Excluding current account balances.

Ordinary income, which mainly results from income from profit pooling or profit transfer and dividend payments amounting to EUR 181,888 thousand and coupon payments on government bonds and corporate bonds, totalled EUR 457,997 (476,225) thousand as at 31 December 2025. This is offset by ordinary expenses, which include the assumption of losses amounting to EUR 95,060 (17,479) thousand.

On balance, an ordinary result of EUR 362,936 (458,746) thousand was generated. The current average interest rate reached 3.4% (4.5%).

The extraordinary result of EUR -57,231 (-3,921) thousand comprises extraordinary income (realised gains and reversals of impairment losses for capital investments) amounting to EUR 21,539 (89,671) thousand and extraordinary expenses (losses on disposals and impairment losses on investments) amounting to EUR 78,770 (93,592) thousand.

Gains on the disposal of investments amounting to EUR 13,626 (89,595) thousand were realised in the reporting year. These arise mainly from the disposal of bearer bonds.

Losses on disposal of capital investments amount to EUR 58,540 (88,498) thousand and arise largely from the reallocation of bearer bonds and registered bonds. In addition, depreciations amounting to EUR 23,399 (5,093) thousand were recognised.

In accordance with accounting under German commercial law, no company gains and losses reported directly in equity are to be recognised.

Information on investments in securitisations (based on market value, including holdings in special funds)

As at 31 December 2025, HDI Global SE held EUR 300,810 thousand in loan securitisations.

A.4 Performance of other activities

Other business

Other business presents the other material income and expenses that arose during the reporting period.

Technical interest income was EUR 120 (112) thousand.

In addition, other income amounted to EUR 113,875 (78,396) thousand, comprising primarily EUR 51,272 (49,682) thousand from income from services, EUR 29,000 (-) thousand from the parent company's profit contribution, EUR 12,829 (8,574) thousand from currency gains, and EUR 9,513 (8,655) thousand from interest and similar income. There were also other expenses of EUR 223,900 (206,498) thousand.

Income taxes amounted to EUR 113,436 (96,492) thousand. These include actual taxes for the financial year for the foreign branches of EUR 113,897 thousand. Expenses from German income taxes came to EUR 693 thousand and essentially relates to creditable withholding tax.

Of the Other taxes item, EUR 8,290 (7,076) thousand relates to expenses from the foreign branches and EUR 1,808 thousand to German expenses from other taxes (of which, property tax accounts for EUR 239 thousand and insurance and fire protection tax for EUR 1,568 thousand), putting total expenses from Other taxes at EUR 10,097 thousand.

Leases

HDI Global SE's foreign branches have exclusively operating leases for offices used by the branches themselves, operating and office equipment and for vehicles.

A.5 Any other information

Thanks to the profit/loss transfer agreement in place, in the financial year profit of EUR 419,983 (411,846) thousand was transferred to the parent company of HDI Global SE, Talanx AG, as expected, an improvement on the prior year.

All material and relevant information on HDI Global SE's business and performance that is required to be reported is already contained in the other sections of chapter A.

B System of Governance

B.1 General information on the system of governance

Governance requirements under Solvency II require all insurance and reinsurance undertakings to have in place an effective system that ensures "sound, prudent business management". The four corresponding key functions have therefore been established at the HDI Group. In connection with this, the Boards of Management of HDI V.a.G. and Talanx AG implemented the Group guidelines on governance of key functions, which create the framework for establishing and expanding the governance of key functions in the divisions, taking into account the particular requirements under Solvency II. For the Corporate & Speciality division, the Board of Management of HDI Global SE has established and documented the principles, tasks, processes and reporting obligations for the individual governance functions.

Tasks and responsibilities

HDI Global SE's corporate governance is based on the responsible management and control of the undertaking in order to create sustainable value. In particular, the undertaking aims to further enhance the trust placed in it by its business partners, its employees and the public at large. Great importance is also attached to the efficiency of the work performed by the Board of Management and the Supervisory Board, to good cooperation between these bodies and with Group employees, and to open and transparent corporate communication. The aim is to always apply the highest ethical and legal standards both at a strategic level and in day-to-day operations.

HDI Global SE is an insurance undertaking in accordance with the German Insurance Supervision Act (VAG) and has three bodies: the Board of Management, the Supervisory Board and the General Meeting. Their duties and powers are defined by law, by the undertaking's Articles of Association and by the Rules of Procedure for the Board of Management and the Supervisory Board.

Board of Management

The Board of Management is directly responsible for managing the company and defines its goals and strategy. Article 5(1) of the Articles of Association provides that the Board of Management shall consist of at least two people. Beyond that, the Supervisory Board determines the number of members. Currently, i.e. as at 31 December 2025, the Board of Management of HDI Global SE consists of eight members.

The Board of Management's activities are governed by the Rules of Procedure issued for it by the Supervisory Board. These define the areas of responsibility of the individual Members of the Board of Management. Each Member of the Board of Management is individually responsible for the area(s) assigned to them, subject to the resolutions passed by the full Board of Management. In addition, the Rules of Procedure set out a list of matters where decisions are reserved for the full Board of Management and the required voting majorities. The full Board of Management resolves on all cases in which a resolution by the full Board of Management is required by law, the Articles of Association or the Rules of Procedure. The Board of Management meets at least once a month.

The Chairman of the Board of Management is in charge of communication with the Supervisory Board and its members. He informs the Chairman of the Supervisory Board about business development and the undertaking's position on a regular basis. He must inform the Chairman of the Supervisory Board immediately of any important events or business matters that could have a material impact on the company's position. Documents on which decisions have to be made, and particularly the annual financial statements and the auditors' reports, are forwarded to the Members of the Supervisory Board without delay after they have been prepared.

Certain particularly important decisions by the Board of Management require the approval of the Supervisory Board. Some of these approval requirements are prescribed by law, while others are set out in the Rules of Procedure for the Board of Management. For instance, the following actions and transactions require the Supervisory Board's prior approval:

- Adoption of strategic principles and targets for the undertaking
- Adoption of the annual planning for the undertaking
- Adoption of medium- and long-term planning for the undertaking
- Purchasing and disposing of items of operating or office equipment, where the acquisition or disposal for the individual items exceeds EUR 5,000 thousand

Supervisory Board

The Supervisory Board advises and monitors the undertaking's management. It is also responsible in particular for appointing the Members of the Board of Management and for their contracts of service, and for examining the annual financial statements. The Supervisory Board adopted Rules of Procedure governing its work that, among other things, deal with membership of the Supervisory Board and its internal order, as well as rules for committees formed by the Board.

During the reporting period, the Supervisory Board consisted of six members, a third of whom were employee representatives. Following the entry of the relevant amendment to the Articles of Association in the commercial register on 7 January 2026, the number of Supervisory Board members was reduced from six to three.

While the shareholder representatives are appointed by the General Meeting and so are not bound to nominations, the employee representatives on the Supervisory Board are appointed by resolution of the SE Works Council. The Supervisory Board holds ordinary meetings regularly, and at least twice per year. Extraordinary meetings are convened as required. The Personnel Committee, and—until the aforementioned amendment to the Articles of Association—the Finance and Audit Committee, also hold or held regular meetings.

The Supervisory Board is quorate when at least two thirds (following the amendment to the Articles of Association: half) of the members of which it is required to consist under the company's Articles of Association take part in a resolution. The resolutions require a majority of votes cast. If a vote results in a tie, the Chairman has a casting vote.

Until the aforementioned amendment to the Articles of Association, the Supervisory Board had formed a Finance and Audit Committee. It has also set up a Personnel Committee and a Nomination Committee. Additional committees can be set up as needed.

General Meeting

The General Meeting elects the shareholder representatives on the Supervisory Board and resolves to approve the actions of the Board of Management and of the Supervisory Board. It decides on the utilisation of the distributable profit for the year, on capital measures and the approval of intercompany agreements, as well as on the remuneration of the Supervisory Board and on amendments to the undertaking's Articles of Association. The ordinary Annual General Meeting, in which the Board of Management and the Supervisory Board report on the last financial year, takes place every year. Extraordinary General Meetings can be convened in special circumstances.

General description of key functions

The Group guidelines on governance of key functions referred to above define and describe the working relationships between key functions in the system of governance of the HDI/Talanx Group in accordance with Solvency II. Furthermore, other documents exist on case-by-case regulations, e.g. bilateral cooperation between individual key functions or on the purpose of certain activities/processes.

Persons holding key functions are subject to specific fit and proper requirements in relation to their professional qualifications and personal reliability, as are Members of the Board of Management and the Supervisory Board. More detailed information can be found in chapter B.2.

Risk management function

More detailed information on this topic can be found in chapter B.3.

Compliance function

More detailed information on this topic can be found in chapter B.4.

Internal audit function

More detailed information on this topic can be found in chapter B.5.

Actuarial function

More detailed information on this topic can be found in chapter B.6.

Information on remuneration policy and practices

The Group remuneration policy is aligned with the goal of sustainably enhancing the value of the HDI Group in the long term. The remuneration structure and regulations for the members of the executive bodies in the Group are competitive and in line with the market. The business development of the Group and division as well as of the respective company are taken into account in the design, taking into account sustainability and the competitive environment. The remuneration structure aims to attract and retain high-performing employees and members of governing bodies for top and senior management and to ensure sustainable and value-oriented corporate governance. The remuneration system is in line with the business and risk management strategy, the internal organisational structure, the risk profile and the Group, division and company objectives.

Remuneration policy and practices are generally designed to prevent unreasonable risk-taking. Carefully selecting the target criteria for the variable remuneration system and caps on the variable remuneration components ensure there are no inappropriate performance incentives that might lead executives to take incalculable risks. Parts of the variable remuneration are normally deferred for a certain period of time in order to ensure that the level of remuneration paid is also in line with sustainable business performance.

The remuneration of the Board of Management of HDI Global SE is based on the size and activities of the company, its economic and financial situation, the business success and future prospects as well as the customary level of remuneration, taking into account the comparative environment. It is also based on the tasks performed by the respective Member of the Board of Management, his or her personal performance and the performance of the Board of Management as a whole. Remuneration is designed to take into account both positive and negative performance, to be competitive and in line with the market and to consider sustainable company development. An appropriate and balanced remuneration package is granted to the Members of the Board of Management, which takes into account the business division, the level of responsibility and function as well as the market conditions. The remuneration structure provides for the following components:

- Annual fixed remuneration: the fixed remuneration is based in particular on the range of tasks, level of responsibility and professional experience of the respective Member of the Board of Management. Its relative share of the total target direct remuneration is between 40% and 50%, which is in line with the market.
- Variable remuneration: the relative share of variable remuneration in total target direct remuneration is between 50% and 60%. In this respect, there is a balanced ratio of fixed to variable remuneration. The latter is designed in such a way that it supports long-term and sustainable business development in different earnings scenarios and a changing business environment. It consists of a one-year short-term incentive (STI) and a long-term incentive (LTI) as a deferred remuneration component with a performance period of four years. The relative share of the deferred component (LTI) in the variable remuneration is 60%. Specific target criteria and key figures for measuring performance when determining the amount of variable remuneration are the return on equity (RoE) of the Group and the division in relation to the target return set in advance by the Supervisory Board for the respective financial year, as well as other quantitative and qualitative target criteria (combined ratio, ability to pay dividends, strategic individual targets and sustainability-related targets). The deferred remuneration component (LTI) is share-based and is granted in the form of so-called performance shares, the value development of which is linked to the performance of the price of Talanx shares over a four-year performance period (also the deferral period), taking into account an individual peer group comparison with the main competitors of the HDI Group, and the equivalent value of which is paid out after the end of the four-year deferral period. At its discretion, the Supervisory Board decides whether the variable remuneration must be adjusted or limitations introduced regarding its payment.
- Pension scheme: as part of the pension scheme, the Group generally grants commitments based on a defined contribution model.
- Other non performance-related ancillary benefits (e.g. insurance cover, company cars): ancillary benefits vary throughout the Group and are also aligned with local market conditions.

Remuneration for the Members of the company's Supervisory Board is set by the General Meeting. Members of the Supervisory Board receive annual fixed remuneration in addition to being reimbursed for their expenses. Members of the Supervisory Board's Personnel Committee also receive additional fixed remuneration. An attendance allowance is also paid for attending Supervisory Board meetings. Members of the Supervisory Board who are also Members of the Board of Management of a Group company do not receive any separate remuneration or attendance allowance for their work as part of HDI Global SE's Supervisory Board.

In principle, the same remuneration structure as described above applies to the holders of key functions. There were no material changes to the system of governance in the reporting period.

Material transactions with shareholders, persons who exert significance on the company and members of the administrative, management or supervisory body

There were no reportable material transactions with shareholders, persons who exert significance on the company or members of the administrative, management or supervisory body in the reporting period.

B.2 Fit and proper requirements

The German Insurance Supervision Act (VAG) stipulates that all individuals who effectively run the undertaking or assume responsibility for other key tasks must meet special requirements with regard to

- their professional qualifications and
- personal reliability ("fit and proper requirements").

These requirements are described in detail in the version of the "Framework Guidelines for Meeting the Fit and Proper Requirements" applicable during the reporting period, as well as the "Professional and Personal Requirements for Members of the Supervisory Board" guidelines, which are regularly reviewed and amended where applicable. The objective of these documents is to define a binding framework for implementing the fit and proper requirements that apply for individuals who

- effectively run the undertaking,
- are responsible for other key tasks and
- perform key tasks.

Requirements

The term "fitness" refers to the possession of professional qualifications appropriate to the position in question, as well as to the knowledge and experience required to ensure sound, prudent management and proper execution of the tasks associated with the position. The appropriateness of qualifications is assessed in accordance with the principle of proportionality, taking into account the specific risks faced by the undertaking in question and the type and scope of its business operations.

The term "properness" refers to the personal reliability of the persons named. These persons must be responsible and act with integrity; they must fulfil their activities conscientiously and with due care. Permanent conflicts of interest are an obstacle to performing the activity. In contrast to professional suitability, the principle of proportionality does not apply when assessing reliability.

If key tasks are outsourced, the undertaking outsourcing such tasks must take measures to ensure that the staff at the service provider who are now responsible for the tasks have sufficient professional qualifications and are personally reliable.

The outsourcing company must appoint an outsourcing officer who, as the case may be, has a disclosure obligation towards the supervisory authority in their capacity as the individual responsible for the respective key function. This outsourcing officer is responsible for ensuring the proper execution of all activities associated with the outsourcing of the key task.

Persons with key tasks are defined as:

Individuals who effectively run the undertaking:

- Members of the Board of Management (as in the case of HDI Global SE)
- General managers
- Authorised agents at branches within the EU/EEA
- Loss adjustment representatives

Other individuals who are responsible for key tasks are:

- Members of the Supervisory Board
- Persons responsible for one of the key functions (compliance, internal audit, risk management, actuarial functions)

Given the different roles played by the individuals who effectively run the undertaking and the other individuals who are responsible for key tasks, these persons must provide evidence of their fitness in a variety of areas:

- Education/professional training
- Practical knowledge
- Management experience

- Language skills
- Specialist knowledge
- Knowledge relating to the key function in question
- Collective requirements
- Required expertise in the field in question

Procedure for evaluating fitness and propriety

All requirements, responsibilities and reporting processes relating to interaction with local authorities correspond to the current standard processes based on BaFin's circular on Fitness and Propriety.

The specified guidelines for meeting the Fit and Proper Requirements require detailed CVs to be requested prior to appointing the persons with key tasks listed above. In addition, a job profile must be drawn up specifying the necessary qualifications and describing the form of proof that must be provided.

The job profile documents the following minimum requirements:

Description of the position with key tasks:

- List of requirements (job description)
- Decision-making powers and authority to issue instructions
- Degree of personal responsibility

The requirements for professional qualification on the part of individuals who effectively run the undertaking include:

- Knowledge of insurance and financial markets
- Knowledge and understanding of the corporate strategy and business model
- Knowledge of the system of governance (risk management system and internal control system)
- Knowledge in the area of information technology
- Overall understanding of the internal model used by the company
- Ability to interpret financial and actuarial data and figures, for the purpose of financing and actuarial analysis
- Knowledge and understanding of the regulatory framework

It is necessary to demonstrate sound theoretical and practical knowledge of the sectors for which a senior executive is required to take responsibility. In addition, each senior executive must have at least the basic theoretical and/or practical knowledge required to understand and, if necessary, scrutinise the decisions of the other senior executives and thus fulfil their overall responsibility on the Board of Management.

The requirements for professional qualification on the part of the persons responsible for the key functions arise from the particular circumstances of the respective responsibility within governance tasks, whereby the following key elements should be highlighted in the context of governance:

- Expert knowledge, whereby specific requirements may vary for the four key functions:
  - Internal audit function: particular focus on economic knowledge and knowledge of control systems
  - Compliance function: particular focus on legal and economic knowledge
  - Risk management function and actuarial function: particular focus on actuarial, mathematical and scientific knowledge
- Market knowledge
- Language skills
- Analytical understanding

The following requirements apply to the Members of the Supervisory Board, taking into account the tasks assigned to the individual Supervisory Board member:

- Sufficient theoretical and practical knowledge of all divisions
- Market knowledge
- Knowledge and relevant experience in the areas of insurance, finances, accounting, actuarial function, and management
- Language skills
- Analytical understanding

At least one Member of the Supervisory Board must be an expert in the area of accounting and at least one additional member must be an expert in the area of auditing.

The areas of capital investment, underwriting, accounting, auditing, internal model, internationality, IT/digitalisation, risk management function, compliance function, sustainability, taxes and human resources are subject to an annual self-assessment.

A lack of professional suitability can be remedied through corresponding further training.

Reliability does not need to be positively proven. Reliability is therefore assumed if there are no recognisable facts that justify unreliability.

Job profiles are reviewed by the responsible organisational units every five years in order to ensure that they continue to comply with all relevant requirements. Repeated reviews of reliability in the form of updated certificates of good conduct are not required in this context.

Compliance with the job profile is checked when material changes to the parameters on which it is based occur:

Attributes relating to the person with key tasks:

- New information regarding the integrity of the person with key tasks (e.g. pending criminal proceedings, suspected breach of trust/money laundering or terrorism financing)
- Changes in the personality of the manager that would prevent her/him from representing the undertaking appropriately in public (e.g. improper conduct in public)
- New information regarding the professional qualifications of the person with key tasks
- New information about the manager that raises doubts about her/his ability to perform her/his tasks soundly and prudently

Attributes relating to the position:

- Changes to the scope of responsibility for the position (increase in responsibilities)
- Changes to the professional qualifications required for the position (e.g. changes to the professional qualifications required under supervisory law for persons with key tasks)
- Persons with key tasks are in this regard required to notify the organisational unit that owns the process in question of all relevant changes.

Group guidelines define the general requirements to be observed in situations where key tasks are outsourced.

B.3 Risk management system including the Own Risk and Solvency Assessment

HDI Global SE provides its policyholders with comprehensive insurance cover and so assuming risks is at the core of its business. Excellent risk awareness is crucial to controlling these. To this end, the company has developed an array of different procedures and instruments that are used to identify, assess and manage risks and take advantage of opportunities.

HDI Global SE's risk management function has been outsourced to HDI AG by way of an outsourcing contract since 1 March 2022. HDI Global SE's risk management system is thus integrated into the HDI Group's risk management system.

The individual elements of HDI Global SE's risk management system and the underlying processes are described below. The risk management system is refined and further developed on an ongoing basis and promptly adjusted to take account of changes to the risk situation.

HDI Global SE uses a full internal model (hereinafter referred to as the internal model) to calculate capital at risk for regulatory purposes. The internal model covers a time period of one calendar year.

Risk strategy

As an international industrial insurance undertaking, HDI Global SE is exposed to a number of risks that are directly related to its business activities and that take different forms in each business area and geographical region. HDI Global SE takes a holistic approach to risk. Risk means the negative random deviation from or failure to achieve planned or expected values and targets.

As with the HDI Group's business strategy and strategic risk objectives, the HDI Global SE Board of Management reviews and determines the risk strategy on an annual basis. The Supervisory Board is informed promptly.

Risk management process

As part of proper risk management, all company risks are to be consistently defined, structured and systematically (in all operating processes, functions and at all hierarchy levels) and promptly recorded, classified and categorised regarding their materiality on a company-wide basis.

The risk management process is complemented by the requirements of the limit and threshold system. As well as risk budgets and limits for capital adequacy ratios, specific limits and thresholds are also established for the material risk categories.

Risk identification

The qualitative assessment of individual risks aims to identify, analyse and evaluate risks that could pose a threat to the company. This is done through a software-supported assessment of individual risks in connection with downstream validation by way of expert discussion. In addition, Group-wide emerging risks are analysed as part of a qualitative, early risk detection process.

Building on the results from the assessment of individual risks, the identification and evaluation process is supported by semi-annual surveys of the team of experts put together by the Risk Committee. Current risks are also discussed with the internal audit function.

Risk management assigns the individual risks that have been reported to the individual experts for validation using organisational and topic-based criteria.

All experts can also bring up any risks that they believe have not been identified by the responsible risk owners with risk management.

Risk analysis

When considering risk-bearing capacity in quantitative terms, risks are measured on the basis of the internal model approved by the BaFin.

More detailed descriptions of the internal model's key methods and assumptions can be found in chapter E.4 of this report.

Risks that cannot reasonably be quantified using mathematical models are analysed on a purely qualitative basis. These primarily include strategic risks, reputational risks and emerging risks. The results of the qualitative risk analysis are included in the company's Own Risk and Solvency Assessment and adequate measures are implemented so that these can be managed.

Details on HDI Global SE's risk profile and individual risk categories can be found in chapter C.

Limit and threshold system

The quantitative and qualitative risk identification and assessment is complemented by a comprehensive limit and threshold system, which constitutes a key element of the risk management system. Its purpose is to monitor and ensure the company's risk-bearing capacity. The limit and threshold system is linked to risk-bearing capacity (and thus also to the risk strategy) and takes into account Talanx AG's Group-wide regulations. Its purpose is to limit and monitor material risks, not to manage the company's result.

Concept of materiality

Talanx AG's regulations apply when determining material risks for HDI Global SE. In accordance with the HDI Group's risk strategy, all risks identified by the Board of Management that could have a considerably negative impact on the company's net assets, financial position and results of operations in the long term are considered material.

In addition, risks may be classified as material if they are considered material by risk management on the basis of an expert judgement and after thorough consideration. This particularly applies to risks that can be assessed only in qualitative terms.

Own Risk and Solvency Assessment (ORSA)

HDI Global SE conducts a regular Own Risk and Solvency Assessment (ORSA) every year. The ORSA process serves the risk management process and includes a forward-looking view. Findings from the risk management process thus directly affect the ORSA process, and vice versa. The following components are particularly important in the ORSA report: The overall solvency needs are determined primarily on the basis of the risk assessment carried out using the internal model. To ensure a complete risk analysis, all information from the risk management processes – including on risks that have been analysed only on a qualitative basis – is used for the assessment of the risk situation. When setting limits and thresholds, care is also taken to ensure that an additional capital buffer is available at all times (risk appetite). The results of the risk assessment are also used in particular to derive the risk budget at Group level and subsequent allocation to the Corporate & Specialty division.

- In addition to the risk analysis, the focus is also on the forward-looking perspective, as this assessment combines five-year economic planning with the latest model results and associated planning measures. The forward-looking section of the ORSA report involves a multi-year evaluation of potential future risks. A variety of scenarios for future macroeconomic developments and business planning are used to produce a five-year forecast for own funds and their breakdown, the Solvency Capital Requirement and the resulting capital adequacy ratios.
- In addition, results of stress tests and scenario analyses for individual undertakings are also explained.
- The ORSA report reviews the suitability of the internal model, taking into account the results of the independent model validation.

The regular ORSA process begins each year by involving the Board of Management. As well as the Board of Management, the risk management function, the actuarial function and controlling are the key participants in the ORSA process. In particular, time management is embedded in the medium-term planning process.

The ORSA report is coordinated by the risk management function. All ORSA analyses are documented internally. After carrying out internal quality assurance, the ORSA report is approved by the Board of Management in the fourth quarter. This is subsequently made available to the BaFin and internally, in particular to the company's key functions and the main participants in the ORSA process. The results of the ORSA, especially the forecast for the capital adequacy ratio, are then taken into account in the strategy process and in capital management. The HDI Global SE Supervisory Board receives the ORSA information as part of its monitoring role.

An irregular ORSA report must be prepared in the event of significant changes to the company's risk profile. The process and the responsibilities are based on the procedure for the regular ORSA.

Using the results of the risk analysis, HDI Global SE's 2025 ORSA report considered the risk situation non-critical. Based on the forward-looking view, it was concluded that capital resources were sufficient for the entire forecast period. The results of the 2025 ORSA report did not require any action to be taken by the Board of Management.

Risk reporting

Risk reporting aims to provide systematic and timely information about risks and their potential effects and to ensure adequate internal communication within the undertaking about all material risks. The Board of Management is thus kept up-to-date regarding risks and can intervene where necessary. The Supervisory Board is also regularly informed of the risk situation.

The quarterly risk report contains key information about the company's overall risk profile. It describes changes in the risk situation and provides an overview of material and new risks. In addition, it offers information on risk-bearing capacity and how this is performing, as well as the limit and threshold system. The risk report is prepared by risk management and coordinated with the Risk Committee.

Reporting is based predominantly on the results from the assessment of individual risks and the evaluation of risk-bearing capacity using the internal model plus the respective limit and threshold evaluations.

In the event of significant changes to the risk situation at short notice, a report is produced immediately. The immediate report is sent to the Board of Management and, where applicable, the Supervisory Board. No immediate report was required for HDI Global SE in 2025.

The Supervisory Board was informed about the company's risk and capital situation at its regular meetings.

Key roles and responsibilities as part of risk management

Ensuring the proper functioning of a risk management system requires a suitable organisational structure within the undertaking with clearly defined tasks, rights and responsibilities.

Accordingly, the section below outlines the key functions and persons who perform these functions responsible for ensuring risk management is carried out properly and is effective.

Function	Key tasks as part of the risk management system
Supervisory Board	Advising and overseeing the Board of Management in its management of the undertaking, including with respect to the risk strategy and risk management
Board of Management	▪ Overall responsibility for risk management ▪ Determining the risk strategy ▪ Responsibility for proper functioning of risk management ▪ Responsibility for compliance with the risk-bearing capacity
Risk Committee	Risk monitoring body: Responsibilities include monitoring and analysing the Group's risk exposure and risk concentration, particularly taking into account the risk strategy implemented by the Board of Management. Monitoring function in conjunction with the outsourcing of the risk management function to HDI AG.
Head of Risk Management	HDI Global SE's risk management function has been outsourced to HDI AG by way of an outsourcing contract since 1 March 2022. The key responsibilities of the person who exercises the risk management function include: ▪ Responsible for coordinating the independent risk management function ▪ Ensuring risk management is appropriate ▪ Responsible for the content and preparation of the risk report ▪ Organisation and preparation of Risk Committee meetings ▪ Preparation of Board of Management decisions that relate to risk management ▪ Participation in the meetings of the ERC (Enterprise Risk Committee) at Group level
Risk Management	HDI Global SE's risk management has been outsourced to HDI AG by way of an outsourcing contract since 1 March 2022. ▪ Identifying and assessing risks (risk analysis) ▪ Validating any risk assessments conducted by the division areas ▪ Immediate reporting to the Head of Risk Management at HDI Global SE if the risk situation changes significantly ▪ Independent risk monitoring by risk category ▪ Developing methods, standards and processes to assess and monitor risk ▪ Risk reporting ▪ Proposing limits and thresholds and measures to manage risk ▪ Monitoring aggregated limits and thresholds and measures to manage risk ▪ Developing, operating and reporting on the results of the internal model ▪ Developing, operating and reporting on the SAOR process (Self Assessment of Operational Risk) for operational risks ▪ Assessing planned strategies under risk aspects and using the internal model ▪ Independently evaluating new products and the current product portfolio in terms of risk as well as risks associated with outsourcing ▪ Documenting risk management, including creating relevant guidelines ▪ Providing support in establishing risk culture at the undertaking ▪ Point of contact with Group risk management
Expert at SAOR workshops	SAOR workshops (Self-Assessment of Operational Risks) are held on a half-yearly basis as part of managing operational risks. The experts attend these SAOR workshops and use their expert opinions to play an active role in helping fill out the questionnaires, especially for their respective risk area. They are also required to thoroughly document the reasons for the estimates made.
Risk owners/other experts	The risk owners and other experts are the point of contact between the individual divisions and the risk management system. They are responsible for surveying risks and, accordingly, implementing the measures and controls determined regarding their areas of responsibility.

B.4 Internal control system

The internal control system (ICS) is part of the system of governance and comprises all processes, methods and control mechanisms initiated by HDI Global SE and, in particular, the management regarding:

- Due and proper performance of business activities
- Asset preservation
- Due and proper and reliable financial reporting
- Prevention and detection of any misappropriation of assets
- Compliance with internal company regulations and laws
- Proper reporting
- Company target attainment
- Implementation of the risk strategy

The ICS is integrated into the business processes and is used at all levels of the company.

The “Three Lines of Defence” concept is essential to the Solvency II system, and it also forms the organisational basis for HDI Global SE’s control and monitoring system:

- The first line of defence comprises the specialist operating units/departments, which are responsible for safeguarding against, identifying, assessing, managing and monitoring risks at the operational level. These units and departments are therefore responsible for ensuring that the ICS in their respective areas is appropriate.
- The second line of defence comprises functions which ensure that the ICS is appropriate at the superordinate monitoring level and which advise the specialist operating units/departments. These functions include the HDI Group Risk Committee, the risk management, compliance and actuarial functions, the Group data protection and anti-money laundering officers, etc.
- The third line of defence is the internal audit function, which is an independent, objective, centrally organised HDI Group function. As part of its auditing activities, the internal audit function monitors the effectiveness and efficiency of the ICS, the risk management system and the other key functions.

Compliance function

The company’s compliance function has been outsourced to HDI AG by way of an outsourcing contract. The compliance function is organised within the Group Legal/Compliance & Data Protection department.

The compliance function is part of the second line of defence. In order to ensure sustained compliance with all relevant legal, regulatory and internal rules and requirements, the compliance function implements appropriate monitoring measures. It acts as the point of contact to specialist departments responsible for advanced compliance functions, compliance officers from abroad and the other three key functions.

The code of conduct, which is valid across the Group, serves as the linchpin for intragroup compliance regulations. It contains the key principles and rules for ensuring that all HDI Group employees act in a legally compliant and responsible manner. It also sets out the high ethical and legal standards on which the Group’s operations throughout the world are based. The code of conduct is available on the Group intranet and on the Group website. All Group employees must ensure that they comply with the code and with the laws, guidelines and instructions governing their individual areas of work.

The code is supplemented in more detail by compliance guidelines, which give employees in Germany and abroad guidance on how to behave correctly and appropriately in their business dealings. In particular, the compliance guidelines contain detailed regulations that apply to the following core compliance topics:

- Preventing bribery and corruption
- Compliance with Antitrust law
- Sales compliance
- Financial sanctions and embargoes
- Capital investment compliance
- Capital market compliance
- Corporate compliance
- Money laundering prevention
- Sustainability
- Supervisory law

Advanced compliance functions include tax compliance, IT compliance, HR compliance and data protection. The compliance guidelines are reviewed regularly to ensure they remain up to date, and are amended if necessary. The compliance function announces such changes throughout the entire Group whenever they are made. The managers responsible must then update all work instructions affected by the changes to the guidelines.

Another element in ensuring Group-wide compliance is a whistleblower system that can be accessed from anywhere in the world via the Internet, and which employees and third parties can use to report significant breaches of the law and the rules contained in the code of conduct. Complaints can be made anonymously if desired. This enables the compliance function to take action, limit any damage and avoid further harm.

The compliance function prepares semi-annual compliance reports that describe the current legal and regulatory framework, the various compliance-related activities under way at the Group, and key issues relevant to compliance.

B.5 Internal audit function

HDI Global SE's audit function is outsourced to HDI AG by way of an outsourcing contract. The internal audit function operates as an independent central division (Group Audit) at Talanx AG. Group Audit performs the internal audit function for HDI Global SE by carrying out auditing, assessment and advisory activities on behalf of the Board of Management.

Monitoring by Group Audit focuses on protecting business assets against losses of all kinds for the long term, on supporting the undertaking's business and operating policy and on ensuring HDI Global SE's continued existence. To do this, Group Audit autonomously, independently and objectively analyses all material divisions, workflows, procedures and systems from a risk-oriented perspective in line with the principles of security, propriety and economy.

These audit activities generally are based on an audit plan drawn up by Group Audit and approved by the company's Board of Management. When executing this audit plan, the internal audit function is not bound by any technical instructions and reports its results and recommendations directly to the Board of Management. Group Audit's sole task is to perform internal audits, a fact that guarantees its independence from the activities that it audits and ensures it remains independent and objective. A cooling-off period applies to all employees who transfer to Group Audit from operating units and departments, thus helping to ensure objectivity at the level of the individual auditors.

In order to ensure that it can properly perform the tasks assigned to it, the internal audit function has been granted complete, unrestricted, active and passive rights to information. Its active right to information includes access to all divisions, documents, assets and relevant contacts. Its passive right to information ensures that Group Audit is automatically included in all information flows at the undertaking that are of relevance to its work.

Group Audit may conduct unscheduled special audits at any time at short notice if defects have come to its attention. The audit planning process is designed to be comprehensive and risk-focused in order to ensure that Group Audit can perform its monitoring function for all relevant areas of the undertaking systematically, efficiently and in a targeted manner. The following factors considered to have an impact on risk:

- Inherent risk of the audit areas
- Results of the latest audits
- Legal and organisational changes that relate to the audit areas
- Knowledge gained from committee meetings and regularly scheduled meetings with staff from other governance functions

A report is written for each audit, ensuring that the Board of Management and the department, unit or division audited receive the key findings. The reports also set deadlines and assign responsibilities for implementing the measures. The implementation process is monitored, with the Board of Management delegating operational responsibility for this to the internal audit function.

The internal audit function's reporting system also includes quarterly and annual reports that provide recipients (including the Board of Management, the Supervisory Board, Risk Management and the auditors of the annual financial statements) with information on the effectiveness of the internal audit function and on the audit findings. Particularly serious findings must be reported immediately to the responsible Member of the Board of Management. Depending on the degree of risk involved, the risk controlling function and/or the compliance function may also have to be informed.

Group Audit's effectiveness is ensured by internal quality assurance measures and by assessments performed by external auditors.

B.6 Actuarial function

Section 31 of the German Insurance Supervision Act (VAG) requires an actuarial function to be established. The Chairman of HDI Global SE's Supervisory Board has direct right of access to the person who exercises the actuarial function at HDI Global SE.

For information on fit and proper requirements, please see the current version of the Fit and Proper guidelines in place for the HDI Group or the current report from the actuarial function. There must be a job description in place for the person exercising the actuarial function.

The work performed by HDI Global SE's actuarial function is outsourced to HDI AG by way of an outsourcing contract.

The person performing this function receives support from the responsible person at the service provider to perform the work. The operational responsibility of this person for the actuarial function's tasks or the ultimate responsibility of the Board of Management cannot be delegated to them.

Supporting areas:

- Responsible person at the service provider for the actuarial function of HDI Global SE
- Head of the risk management function for HDI Global SE
- Head of the Reserve department for HDI Global SE
- Representative of the Reinsurance department for HDI Global SE
- Appointed actuary for HDI Global SE
- Head of line of business representative in terms of materiality
- Head of the Guidance department for HDI Global SE
- Head of the Pricing department for HDI Global SE

The actuarial function's core duties at HDI Global SE are:

- Coordinating the calculation of technical provisions and ensuring the methods and basis models used, as well as the assumptions made when calculating technical provisions, are appropriate
- Assessing the sufficiency and the quality of data used when calculating technical provisions
- Express an opinion on general underwriting and acceptance policies
- Express an opinion on reinsurance policies and on the adequacy of reinsurance agreements
- Supporting the risk management function
- Advising the Board of Management regarding the actuarial function's tasks

Once per year, the actuarial function prepares a report which is presented to HDI Global SE's Board of Management. The report documents all of the actuarial function's key tasks and findings.

B.7 Outsourcing

Outsourcing policies, activities and processes

Based on Group-wide specifications, HDI Global SE has described the outsourcing processes and requirements in special guidelines. The principle aims of these guidelines are to establish a regulatory framework for outsourcing under Solvency II and to provide adequate specifications for structural (definition of responsibilities) and procedural (definition of an outsourcing process) regulations.

Outsourcing decisions at HDI Global SE are made taking into account the principle of proportionality and after carefully considering the associated opportunities and risks.

During outsourcing, it must be ensured that, in particular, the proper performance of the outsourced functions and assigned activities does not impair the management's monitoring and control options or the supervisory authorities' audit and monitoring rights. Corresponding rights of information and the authority to issue instructions are to be agreed in a contract. The outsourced functions and activities are to be included in the internal control system respectively in risk management.

In terms of the procedure, the outsourcing process can be broken down as follows for each individual item outsourced:

- Preparing for outsourcing: due diligence conducted for the service provider being considered and a risk analysis on the basis of this.
- Making a decision to outsource: the risk owner documents the reasons for outsourcing.
- As part of the preparation, an analysis is performed to determine whether and how HDI Global SE's business operations can be maintained if a service provider is unable to meet its obligations, or if the service in question has to be reintegrated or transferred following the termination of a service contract.
- Initiating outsourcing: the legal department prepares the service agreement, control mechanisms are established for ongoing management and monitoring and the Board of Management as a whole approves the outsourcing of key functions or insurance activities in advance.
- Ongoing management and monitoring: the service provider must be assessed regularly using existing criteria. The material risks associated with the outsourcing must be reported under materiality aspects as part of the process of surveying risks.
- End of outsourcing: measures are introduced to reintegrate or transfer on the outsourced processes.
- Drawing on an overall assessment of the events above, it is then decided whether tasks or services have been outsourced from a supervisory perspective and, if so, whether this outsourcing is considered of key outsoucing.

The risk management function and the legal department must always be consulted before outsourcing.

In addition to the process described above for case-by-case outsourcing, there is also a company-wide, annual enquiry and assessment process in place, in which all outsourcing must be recorded each year, compliance with legal requirements must be checked, a performance evaluation must be documented and a risk assessment conducted. The Risk Committee discusses the results on an annual basis.

Key outsourcing

The following HDI intragroup outsourcing was identified as key for HDI Global SE:

Activity	Service provider
Key function: compliance function	HDI AG
Key function: internal audit function	HDI AG
Key function: risk management function	HDI AG
Key function: actuarial function	HDI AG
Valuation and actuarial steering	HDI AG
Aviation	HDI AG
Inventory management/benefit processing for non-substitutive health insurance and daily benefits insurance	HDI AG
Casualty claims	HDI AG
Technical & strategic services – long tail	HDI AG
Crisis management claims	HDI AG
Technical & strategic services – short tail	HDI AG
Cyber & financial lines underwriting	HDI AG
IT services	HDI AG
Engineering underwriting	HDI AG
Group personal accident claims	HDI AG
Group personal accident underwriting	HDI AG
Guidance	HDI AG
Collection/disbursement	HDI AG
Investment management/money laundering	HDI AG
Technical accounting services	HDI AG
Motor claims processing and loss adjustment	HDI AG
Liability global risk	HDI AG
Liability underwriting Europe	HDI AG
Liability underwriting Global	HDI AG
Marine claims	HDI AG
Marine underwriting portfolio steering and global risk	HDI AG
Motor underwriting	HDI AG
Domestic branches – claims	HDI AG
Domestic branches – underwriting	HDI AG
Domestic branches – contract service	HDI AG
Domestic branches – sales	HDI AG
Pricing & analytics	HDI AG
Property & engineering claims	HDI AG
Property global risk	HDI AG
Property underwriting	HDI AG

Activity	Service provider
Accounting	HDI AG
Reinsurance	HDI AG
Reinsurance accounting and payment transactions	HDI AG
Underwriting liability & special lines Germany	HDI AG
Underwriting property Germany	HDI AG
Risk consulting including risk consulting Germany headquarters and security technology at domestic branches	HDI Risk Consulting GmbH
Reinsurance placement	Talanx Reinsurance Broker GmbH
Loss adjustment in the legal protection line	HDI Global Legal Expenses Claims Management GmbH (formerly: HDI Global Specialty Schadenregulierung GmbH)
Asset and portfolio management and real estate and asset management for direct investment portfolio	Ampega Asset Management GmbH

Intragroup outsourcing comprises exclusively outsourcing contracts with undertakings based in Germany, for which German law has been agreed.

Those responsible for the outsourcing at HDI Global SE also have appropriate contact with those responsible at the service provider.

Service providers sometimes exercise the option of sub-delegation. The regulations on service provider apply accordingly and are complied with.

No external HDI Group outsourcing was identified as key for HDI Global SE.

B.8 Any other information

Adequacy of the business organisation

In addition to the audits of business units (including audits of other key functions) that are performed by the internal audit function in its capacity as an independent key function, a regular, structured evaluation of the adequacy of the business organisation as required by Section 23(2) of the Insurance Supervision Act (VAG) in conjunction with Section 275(1) sentence 1 of the VAG is performed. This is based on the internal guidelines for regularly assessing the adequacy of the business organisation of HDI Global SE that were adopted by the Board of Management.

The adequacy assessment is a decision of material importance for the senior management, which is why the full management body is responsible for it rather than individual members.

Results of the evaluation of the adequacy of HDI Global SE's business organisation for 2025:

As well as assessing the adequacy of the company's own risk management system, the business organisation is reviewed each year in accordance with Section 23 VAG. Since 2025, the procedure and questionnaire regarding the adequacy of the business organisation have been integrated into the BAsICS (Business Assessments and Internal Controls) survey. Standardised questions based on Minimum Requirements for the Governance of Insurance Undertakings (MaGo) are used in the form of random samples for the respective review area according to MaGo and assessed using corresponding maturity levels. As a result, the survey is conducted in full on an annual basis. Additional key topics can also be integrated.

On 1 March 2022, as part of the One HDI Group-wide project, a transfer of operations involving all employees of HDI Global SE in Germany to HDI AG was completed. As a result, a large part of the business processes and organisation was transferred to HDI AG, which is not itself an insurance undertaking within the meaning of Section 23(2) of the German Insurance Supervision Act (VAG). The review of the business organisation is therefore carried out at the service provider HDI AG, in relation to the services outsourced from HDI Global SE.

The self-assessment of all operating units and key functions in question found that the business organisation is appropriate and effective, taking into account the specific risk profile in the respective area. There is no significant need for improvement and so there are no restrictions on propriety. There are also internal written guidelines in place in the operating units and key functions, which are also put into practice. Tasks, responsibilities, substitution policies and reporting lines have been defined.

In addition, the following matters relating to the business organisation were reviewed:

In addition, the following matters in relation to HDI Global SE's business organisation were also reviewed:

- Outsourcing: Other processes important to HDI Global SE's business organisation include intragroup and external outsourcing activities. The annual outsourcing analysis did not find any material problems with the provision of services or risks.
- Key functions: The key functions are generally properly established.
- Guidelines: Company guidelines are reviewed once a year to ensure they are up-to-date.

The HDI Group's business organisation is effective and proper and in line with the business conducted in terms of its nature, scope and complexity. The business organisation ensures sound and prudent management of the company.

Likewise, sufficient arrangements have been made to guarantee compliance with applicable laws, regulations and supervisory law requirements.

Overall, it is noted that the requirements for the system of governance, including the governance functions required under Solvency II, are increasing. HDI Global SE ensures communication between the key functions and the Board of Management particularly during Board meetings.

Any other information

Other material and relevant information on the system of governance that is required to be reported is already contained in the sections of chapter B specified.

C Risk profile

The risks are quantified and risk-bearing capacity determined using the internal model. This was approved by the German Federal Financial Supervisory Authority (BaFin) in November 2015 as a partial internal model. The expansion to include the stochastic components of operational risk was certificated in September 2019 and applied for the first time for the quarterly period for the reporting date as at 30 September 2019 and so the model has been a full internal model since this time. Accordingly, the model has been a “full internal model” since this time.

The internal model quantifies the SCR required to withstand a 200-year event calculated by the model (99.5% value at risk) based on a time period of one year from an economic perspective.

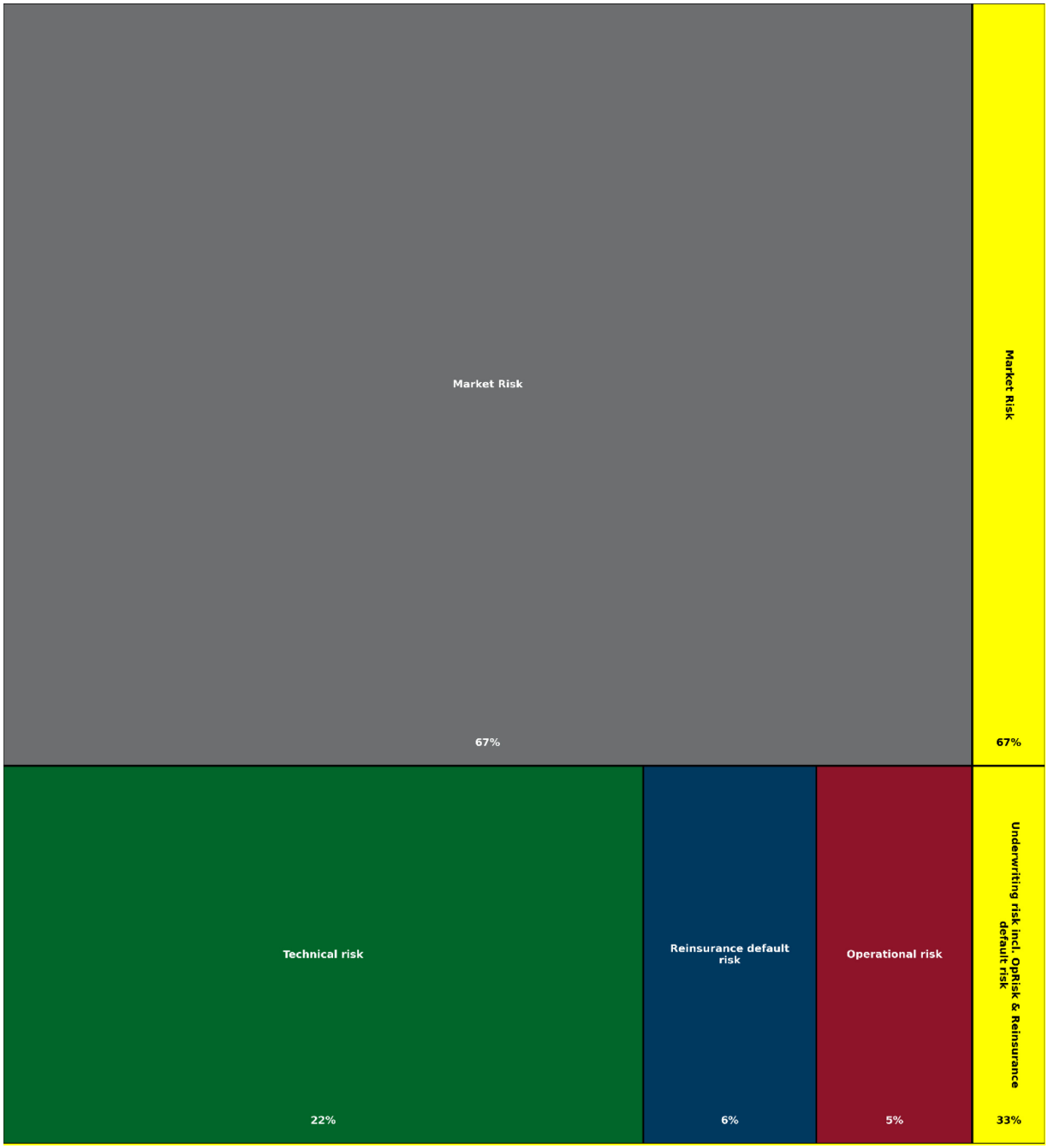
More detailed descriptions of the internal model’s key methods and assumptions can be found in chapter E.4 of this report.

The following disclosures on the evaluation of risk-bearing capacity refer to the following perspectives

- Participations in market risk according to their share of participation
- Pre-tax consideration for HDI Global SE and the subsidiary HDI Global Network AG, as Talanx AG has a trade tax and corporate tax group

Overview of the risk profile

The risk profile, broken down by risk category, for the 2025 SCR is as follows:



The risk profile broken down by risk category and the diversification effect between the risk categories are shown in absolute figures below. A comparison to the results of the prior year's internal model is also provided.

EUR thousand	2025 SCR	2024 SCR	Delta
SCR	2,396,717	2,222,022	174,695
Underwriting risk	935,104	908,569	26,535
Market risk	2,031,511	1,876,650	154,861
Reinsurance default risk	252,816	236,813	16,003
Operational risk	227,720	225,363	2,357
Diversification	30.5 %	31.6 %	-1.1 %

The SCR rose by EUR 174,695 thousand. The increase is primarily attributable to growth at HDI Global's subsidiaries and a rise in capital investment risk driven by increased volumes, both of which are reflected in market risk.

As at 31 December 2025, HDI Global SE had eligible own funds of EUR 4,746,608 thousand. For more details on this, please check chapter E. Together with the Solvency Capital Requirement of EUR 2,396,717 thousand, this results in a capital adequacy ratio of 198.0%.

The sensitivity analyses do not take into account the loss-absorbing effect of the existing profit transfer and control agreement with Talanx AG. This is a basic assumption.

C.1 Underwriting risk

Underwriting risks in property/casualty, consisting of premium/reserve risks, describe the risk of a loss or an unfavourable change in the value of insurance liabilities resulting from fluctuations in the occurrence, frequency and severity of insured events and in the occurrence and amount of loss adjustment.

In particular, HDI Global SE addresses the potential impact, resulting from underwriting risks, of natural catastrophes occurring simultaneously by protecting against peak exposure using adequate reinsurance cover. Risks are also managed and reduced by way of claims analysis, nat cat modelling, selective underwriting and regular review of the claims experience. The individual subcategories of underwriting risk are described below.

EUR thousand	2025 SCR	2024 SCR	Delta
Underwriting risk	935,104	908,569	26,535
Premium risk	532,064	461,303	70,761
Reserve risk	796,520	781,213	15,307
Diversification	29.6 %	26.9 %	2.7 %

The increase in underwriting risk stems from a rise in both premium risk and reserve risk. In addition, diversification between the two categories increases.

Premium risk

Premium risk refers to the risk of a loss or an unexpected negative change in the value of insurance liabilities arising from fluctuations in the occurrence, frequency and severity of insured events.

Premium risk is calculated for each line of business in the internal model using a simulation approach. The types of losses (basic losses, large and accumulation losses, natural catastrophe losses) are simulated using current exposure and aggregated using dependency assumptions. Licensed, scientific simulation models are used to consistently estimate the material catastrophe risks from natural catastrophes (earthquakes, storms, flooding) for HDI Global SE, and supplemented by the expertise of the various technical areas. In addition, various scenarios in the form of probability distributions are calculated to determine the risk of the portfolio. The portfolio's exposure to natural catastrophes (accumulation control) is monitored using realistic extreme loss events.

An extensive and independent validation process assesses the adequacy of the estimates and the simulation models used as a whole. This means that these are validated at aggregate level, independently from the risk-taking units.

Given the significant exposure to natural catastrophes, the fire and other damage to property insurance lines of business bear most of the premium risk here. To reduce the risk, especially for the fire and other damage to property insurance and general liability insurance lines of business, the risk is transferred to reinsurance. This is then reflected in the reinsurance default risk (see credit risk) accordingly. The increase in premium risk stems in particular from the property line of business (fire). Compared to the prior year, the risk factor has risen due to an increase in exposure, particularly to natural catastrophes. This increase is partly offset by a decline in the risk of large and accumulation losses. In line with the changes in the risk profile, there were also adjustments to the reinsurance structure, such as adjusted retentions and rate changes.

HDI Global SE's underwriting and acceptance policies are based on existing underwriting guidelines, an existing underwriting process, authorisation guidelines and pricing specifications.

EUR thousand	Volume	Risk	Risk factor
Gross	6,692,988	1,557,596	23.3 %
Net	2,600,973	532,064	20.5 %

The premium risk after reinsurance of EUR 532,064 thousand is offset by a planned, medium premium volume after reinsurance of EUR 2,600,973 thousand, which includes a forecast, medium reinstatement premium. This results in a risk factor of 20.5%. The risk mitigating measure of reinsurance results from comparing this to the risk factor before reinsurance of 23.3%.

Reserve risk

Reserve risk refers to the risk of a loss or an unexpected negative change in the value of insurance liabilities that impact the loss adjustment amount.

To reduce this risk, the amount of the reserves are reviewed regularly and at specific points in time and the run-off results are monitored.

The general liability insurance line bears most of the risk due to the long-term loss adjustment.

The increase in reserve risk results in particular from the third-party liability line. The increase is driven by a higher reserve volume. The risk factor remains stable compared to the prior year.

Quality assurance regarding the company's own actuarial calculations on the adequacy of the reserve is also conducted each year in an external reserving report. In particular, the difference between the recognised IFRS net reserve and the required reserve level calculated by the expert producing the report (upper and lower limit) serves as an indication when assessing the reserve risk.

EUR thousand	Volume	Risk	Risk factor
Gross	13,538,475	1,575,014	11.6 %
Net	7,054,579	796,520	11.3 %

The reserve risk after reinsurance of EUR 796,520 thousand is offset by discounted claims provisions outstanding after reinsurance of EUR 7,054,579 thousand.

Risk sensitivity

To determine the risk sensitivity for the underwriting risk, stress is applied to the nat cat event (fire stress) for the highly exposed property line of business (fire). It is assumed that a 50-year event in accordance with nat cat modelling occurs for the internal model, which describes the total annual loss for the property line of business (fire) caused by natural catastrophes and includes multiple nat cat events. This takes into account the relief provided by the existing reinsurance regulations in the property line of business (fire insurance). The occurrence of the loss events causes own funds to fall by the amount of the total annual loss determined after reinsurance. The SCR is unaffected. Stress is also applied to the run-off result for the liability line (liability stress). This increases the gross technical provisions in this line of business by approx. 10.0%. No changes are made to reinsurance structures. This stress causes own funds to decline, driven chiefly by the increase in technical provisions. The SCR increases, primarily a result of a higher reserve risk.

The table below shows the impact on the SCR, own funds and CAR. Given these stresses, no action is necessary.

Risk sensitivities	CAR	Own Funds	SCR
CAR before stress	198.0 %	4,746,608	2,396,717
CAR after fire stress	183.0 %	4,386,450	2,396,717
CAR after liability stress	180.4 %	4,339,153	2,405,906

HDI Global SE does not use any special purpose vehicles in accordance with Article 211 of the Solvency II Directive.

C.2 Market risk

Market risk describes the risk of a loss or a negative change in the financial position resulting directly or indirectly from fluctuations in the amount or volatility of market prices of the assets, liabilities and financial instruments.

Prudent person principle

Investments are made in accordance with the prudent person principle. This means that the necessary care is always taken in all processes used to develop, approve, implement and monitor the investment strategy. The requisite employee expertise, which is indispensable for prudent asset management, is guaranteed in full.

In particular, application of the prudent person principle means that HDI Global SE invests exclusively in assets and instruments whose risks can adequately identify, analyse, monitor, manage and control. The crucial criteria for investment decisions are the security, quality, liquidity and profitability of the portfolio as a whole, as well as an appropriate level of mix and diversification. Investments that are held as cover for technical provisions are invested in such a way that their nature and maturity are aligned with the interests of policyholders and beneficiaries. If any conflicts of interest arise within this context, it is ensured that the investment is carried out in the interests of the policyholders and beneficiaries.

In addition, external ratings are validated and mirrored using own appraisals before being used to manage market risk. The risk indicators deployed and the limit system ensure ongoing management and monitoring. They are designed in such a way that all material risks associated with the asset portfolio can be monitored and managed.

Any concentrations of assets and any dependencies on issuers or on specific groups of enterprises are avoided. Where innovative investments are acquired for the first time or other non-standard investment situations arise in relation to asset valuations for investments, defined processes specify how to decide whether the company is able to make and manage such investments. The necessary prudence is also exercised in relation to investments in derivatives, structured products and assets that are not admitted to trading on a regulated market, and such assets are maintained at an appropriate, risk-adequate level.

The industry division’s investment guidelines set out how to manage HDI Global SE’s investments. The purpose of these investment guidelines is to set out the framework for an investment strategy in the best interests of policyholders with the aim of ensuring a balanced mix, diversification and liquidity of investments to reduce risks while generating appropriate income, taking into account the insurance business and the organisational regulatory framework. Care is always taken to comply with overarching requirements imposed by statutory and supervisory guidelines and the HDI Group guidelines.

EUR thousand	2025 SCR	2024 SCR	Delta
Market risk	2,031,511	1,876,650	154,860

The market risk is offset by a capital investment volume of EUR 13,051,421 thousand. The increase in market risk is primarily attributable to higher equity participation risks, particularly in relation to the subsidiary HDI Reinsurance (Ireland). The fair value of the participation in PVI Holdings IJSC (Vietnam) has also risen. HDI Global UK Limited, newly established in 2025, is also included in the participation risk in the current model. In addition, further changes in volume and structure occurred in HDI Global SE’s portfolio in 2025, for example in the area of alternative investments.

In the Solvency Capital Requirement 2025, the market risk is determined using the economic scenario generator from Moody’s Analytics. This replaced the GEMS scenario generator from Conning, which had been used previously. This change involved a major model adjustment in 2025, which had a slight impact on risk measurement in various areas.

Interest rate risk

The interest rate risk arises as a result of volatility for the risk-free interest rate term structure, which takes effect on the payout pattern of the investments and of the underwriting and pension liabilities. The individual risks are generally greater than the aggregated risk because the effects are offset by similar payout patterns under assets and equity and liabilities. The interest rate risk for the obligations is thus mitigated by a suitable investment strategy.

Exchange rate risk

The exchange rate risk arises as a result of volatile exchange rates between the foreign currency and the euro. This risk can be determined individually for the investments as well as for the technical liabilities. Here too, the individual risks are generally greater than the combined risk, as the effects on the assets and liabilities sides balance each other out. The exchange rate risk for the obligations is thus mitigated by a suitable investment strategy.

Credit/spread risk

The risk with regard to changes in rating, default and fluctuation of the spread is measured in the category migration, default and spread risk. Concentration effects are implicitly captured in this process.

A dynamic volatility adjustment has been carried out for EUR and USD in the calculations performed in the internal model since the end of 2019. Technical provisions are thus discounted not only by the risk-free interest rate term structures published by EIOPA but also by a spread. In accordance with EIOPA requirements, this is calculated for each currency and country using a reference portfolio. While the static volatility adjustment mainly has an effect on the economic own funds at the start of the simulation, the dynamic volatility adjustment has an effect on the SCR. Parallel to the regular run of the internal model, a complete run is carried out without applying the volatility adjustment: Applying the volatility adjustment improves the CAR by 10.9 percentage points to 198.0%.

Other market risks

Outside its fixed-income portfolio, HDI Global SE invests in a range of other asset classes: Direct and indirect real estate, equity portfolios, alternative investments such as infrastructure investments, and strategic participations. These asset classes are modelled using appropriate capital market indices. Interdependencies between the individual risks are also taken into account.

Risk sensitivity

The following scenarios have been defined to determine the risk sensitivity for the market risk:

- Interest rate stress -50 bp: the interest rate term structure applied decreases by 50 bp. This happens for the initial interest rate term structure, which constitutes the basis for reserve discounting of the opening balance sheet. The simulated interest rate term structures when t=1 are amended accordingly. On the liabilities side, the pension liabilities, the risk margin and the technical provisions are remeasured. Under assets, investments are remeasured.

- Equity stress -30.0%: the company's equities exposure as at the reporting date is reduced by 30.0%. This affects the company's own funds and also reduces the risk from the change in exposure.

- Credit/spread +50 bp: the spread curve used in the model is pushed up by 50 bp. This happens for the spread curves at the start. The simulated spread curves at the end of the year are amended accordingly. Under this scenario, the market value of the credit-impaired securities decreases. Reserve discounting is affected by this only indirectly as spread curves are not a direct component of discounting. However, the volatility adjustment was amended to account for the scenario. In addition to the technical provisions, the pension provisions and risk margins are also remeasured.

Economic own funds and the solvency capital are remeasured. The quotient is the capital adequacy ratio (CAR).

Risk sensitivities	CAR	Own Funds	SCR
CAR before stress	198.0 %	4,746,608	2,396,717
CAR after interest rate stress (-50 bp)	195.1 %	4,710,535	2,415,039
CAR after equity stress (-30.0%)	196.5 %	4,548,482	2,315,143
CAR after spread stress (+ 50 bp)	194.6 %	4,634,430	2,380,987

C.3 Credit risk

Credit risk describes the risk that arises as the result of a default or a change in a counterparty's credit rating or the evaluation of their credit quality. This does not include defaults by issuers of securities, which are instead covered under market risk (see chapter C.2). The term "counterparty default risk" is used hereinafter.

EUR thousand	2025 SCR	2024 SCR	Delta
Reinsurance default risk	252,816	236,813	16,003

The change in the reinsurance default risk is based on changes to the volumes of ceded provisions and updated credit rating information for counterparties.

EUR thousand	Volume	Risk	Risk factor
Reinsurance default risk (existing)	6,483,896	155,095	2.4 %
Reinsurance default risk (new business)	4,092,016	86,277	2.1 %

The counterparty default risk is calculated in the internal model both for the technical provisions currently ceded to the reinsurer (existing) and for contracts entered into in the observation period (new business).

In order to ensure the counterparty default risk associated with reinsurers remains as low as possible, these are carefully selected and monitored using credit rating indicators (e.g. Talanx market list). In addition, the share of an individual reinsurer or individual group of reinsurers is limited by the specifications in the limit and threshold system.

Risk sensitivity

To determine risk sensitivity for the counterparty default risk, downgrades of the top 5 external reinsurers are adjusted for the rating of the model's 50-year event in accordance with the internal model recoverables.

The scenario describes the risk that reinsurers run into economic difficulties in one year, resulting in a rating downgrade. The stress test looks at whether the reinsurers' credit rating in the portfolio is sufficient.

Other assumptions include:

- No changes have been made to reinsurance structures.
- Definition of external top 5 reinsurers using the amount of the recoverables
- In this stress scenario, the event that puts pressure on the reinsurance market affects only HDI Global SE's reinsurance portfolio and not other balance sheet or risk components.

Risk sensitivities	CAR	Own funds	SCR
CAR before stress	198.0 %	4,746,608	2,396,717
CAR after reinsurance default stress	197.3 %	4,740,367	2,402,922

C.4 Liquidity risk

HDI Global SE defines liquidity risk as the risk of being unable to convert investments and other assets into cash in time to meet its financial obligations as they fall due. For example, illiquid markets might mean we could not sell portfolio at all (or only after a delay), or that we could not close out open positions (or only at a discount). The exposure here is dependent on the level of the liabilities. Analysis of this risk is also heavily based on qualitative analyses. HDI Global SE regards the risk as relevant in its entirety. A risk concentration is not seen due to the good diversification of liquid funds in different asset classes/issuers. As a rule, HDI Global SE generates significant liquidity positions on an ongoing basis because premium income normally accrues well before claims are paid and other benefits are rendered.

HDI Global SE reduces liquidity risks by way of regular liquidity planning and by continuously matching the maturities of its investments to its insurance obligations. Liquidity risks are taken into account by way of sufficient fungibility and diversification of the assets. Short-term liquidity requirements can be ensured by selling liquid bonds and by the existing liquidity current account for Group companies.

Liquidity figures are reviewed and reported each quarter in order to monitor liquidity risks. The minimum and maximum limits set by the Chief Financial Officer are observed as part of liquidity holdings, with a minimum liquidity level defined for euros and US dollars in the area of cash management. For this purpose, each class of securities is assigned a liquidity indicator that states how liquid the security is at market prices. These indicators are regularly reviewed by the risk controlling unit at Ampega Asset Management GmbH, checked for plausibility taking into account market data and the estimated portfolio management and modified where necessary.

Furthermore, a liquidity stress test for HDI Global SE supplements the monitoring of risks, which determines the liquidity limit of the company. This takes into account unfavourable events in technical risk that lead to unexpectedly high cash outflows. The underlying scenario assumptions behind these stress scenarios are as follows:

- Scenario one: simultaneously occurring ten-year natural catastrophe losses in the property line of business and a ten-year third-party liability large loss.
- Scenario two: a ten-year property large loss (man-made large loss) and a ten-year third-party liability large loss occur simultaneously.
- Scenario three: a ten-year property large loss (man-made large loss) and a partial payout of a ten-year loss from old business in third-party liability line of business occur simultaneously.
- Scenario four: a ten-year maximum loss from natural catastrophes in the property line of business and an operational risk with a return period of ten years occur simultaneously.

Loss expenses and liquidity requirements are determined for each one of these scenarios using the internal model. The maximum liquidity requirements are calculated and, ultimately, increased to take account of a minimum level of liquidity requirements for loss expenses and costs. This is offset by current cash flow from investments. The HDI Group also has a line of credit at banks which can be partially used by HDI Global SE in adverse circumstances. This is also set off against liquidity requirements. It must be possible to settle the resulting balance from own cash portfolios and other funds that can be liquidated quickly.

The liquidity required to meet current payment obligations is ensured under current liquidity planning, which takes into account the changes in liquidity expected over the following twelve months. The monitoring measures listed above do not indicate any liquidity problems.

HDI Global SE explicitly does not use the “Total expected profits included in future premiums (EPIFP)” key indicator for its liquidity management. The theoretical amount is given in the annex (template S.23.01.01, item Total EPIFP).

HDI Global SE uses a dynamic volatility adjustment. Using the volatility adjustment requires evidence of earning capacity and a liquidity plan. Here, it must be ensured that the spread can still be earned through the investment portfolio even in adverse scenarios.

The following table summarises the effects of the volatility adjustment for the year-end 2025.

	2025 SCR		
Risk sensitivity	**with VA**	**without VA**	**Difference**
Own funds	4,746,608	4,689,799	56,809
SCR	2,396,717	2,505,419	-108,702
CAR	198.0 %	187.2 %	10.9 %

C.5 Operational risk

Operational risks relate to losses caused by inadequate or faulty internal processes, employee-related, system-related or external incidents. In contrast to underwriting risks, which we take on in a conscious and controlled manner, operational risks are closely linked to our business activities. The focus is therefore on risk avoidance and minimisation. To determine the capital tie-up in our internal model, we use the Self-Assessment of Operational Risks procedure to describe and evaluate future operational loss scenarios. Business process risks arise from inadequate internal processes, for example due to inadequate process organisation. HDI Global SE has set up an internal control system and a business process management system that specify minimum requirements for process organisation and define clear responsibilities. Audits and controls (e.g. peer reviews, file reviews) support the optimisation and management of risks. We reduce these risks through continuous optimisation, automation and standardisation of processes. Data quality is a critical success factor; our data management organisation carries out various initiatives to ensure and continuously improve it.

Business interruption risks result from hazards of natural or human origin that threaten business operations. The aim is to return to normal operations as quickly as possible after a crisis, supported by existing contingency plans. The key framework conditions and plans for the recovery of business activities were drawn up on the basis of internationally recognised standards. A crisis team acts as a temporary management body in the event of a crisis.

Compliance risks essentially comprise breaches of standards and requirements that could result in legal action or official proceedings. Relevant topics include supervisory compliance, data protection and competition law aspects. Sanction-screening software filters payment transactions and identifies sanctioned persons or companies. Responsibilities within the compliance organisation are documented and regular training programmes supplement the measures.

Outsourcing risks arise from the outsourcing of services to third parties. In order to limit this risk, risk analyses must be carried out prior to outsourcing. HDI Global SE benefits from synergy effects and uniform standards through purchasing within the Talanx Group. Group-internal and external outsourcing is controlled and monitored within the framework of established processes.

Fraud risks can result from wilful violations by employees or external third parties. Our internal control system and line-independent audits by Group Internal Audit contribute to risk mitigation. Other measures include the establishment of a whistleblower hotline and regular external audits.

Personnel risks relate to the qualifications and motivation of employees. In order to minimise these risks, we and HDI AG focus on personnel development, regular performance assessments and succession planning. We also recognise risks at an early stage by monitoring fluctuation rates.

Information technology risks relate to the integrity, confidentiality and availability of IT systems and information. Cyber attacks increase the IT risk. We counter these challenges through continuous improvements in IT risk management and organisational requirements, such as confidentiality agreements with service providers.

C.6 Other material risks

Other material risks may include strategic risks, reputational risks, emerging risks and sustainability risks. The common factor among these risks is that they cannot be analysed meaningfully with mathematical models, which means that HDI Global SE primarily has to fall back on qualitative analyses in these cases.

Strategic risks result from the danger of mismatches between the corporate strategy and the constantly changing general business environment. Such imbalances may be caused, for example, by inappropriate strategic decisions, failure to consistently implement defined strategies, inadequate implementation of strategic projects or increased management complexity due to the need to deal with multiple different views on capital and risks. Strategic risks are regularly surveyed and assessed in qualitative terms at HDI Global SE. In addition, the company and risk strategy is reviewed each year and processes and structures are adjusted as required. Material strategic risks include a rating downgrade on account of insufficient capitalisation, insufficient portfolio management and risk diversification, as well as capital market volatility. Methods for mitigating these risks include ongoing monitoring of capital adequacy/risk-bearing capacity, frequent plan and forecast assessments and further developing portfolio management processes and performance indicators.

Reputational risk is the risk associated with possible damage to the undertaking's reputation as a consequence of a negative public image (e.g. on the part of customers, business partners or government agencies). These may result, for example, from the inadequate implementation of legal requirements or from delays or errors in publishing the undertaking's figures. Reputational risks are surveyed and evaluated as part of the assessment of individual risks. Set HDI Group communication channels, professional corporate communications, tried-and-tested processes for defined crisis scenarios and established operating principles in the HDI Group are used to help manage this risk.

HDI Global SE defines "emerging risks" as risks whose hazard potential is not yet known with certainty and whose potential impact is difficult to assess. For example, cyber attacks or mounting uncertainty regarding political developments globally or in individual countries can make markets nervous and increase the potential for systemic shocks. The spread of new technologies, medicines and materials can also have knock-on effects that result in unpredictable losses. Domestic and international risk owners are involved in identifying emerging risks within the Corporate & Specialty segment.

Risk management also focusses on sustainability risks and, in particular, how these affect the company ("outside-in"). These risks are events or circumstances relating to environmental, social or corporate governance issues that will or could potentially have a considerably negative impact on the company's net assets, financial position and results of operations and on its reputation. Sustainability risks influence all the risk categories analysed by the company. They can affect all areas of business activities in the form of physical risks and transition risks in connection with changeover processes.

C.7 Any other information

There is no other material information beyond the disclosures in chapters C.1 to C.6 that is necessary for an understanding of the company's risk profile.

D Valuation for solvency purposes

Balance sheet

A commercial balance sheet depicts a company's financial position in accordance with the generally accepted principles of accounting. The valuation regulations related to this are stipulated under commercial law, with emphasis given to creditor protection. By contrast, a solvency balance sheet shows the extent to which the obligations incurred by an insurance undertaking are covered by assets under certain risk assumptions. The risk perspective and the corresponding stipulations under insurance supervisory law require a revaluation of the items in order to create a solvency balance sheet from a commercial balance sheet. This items are shown below in EUR thousand and an explanation is given of their revaluation.

2025 Balance sheet, EUR thousand	Solvency II value	HGB value
Assets		
Goodwill	-	-
Deferred acquisition costs	-	-
Intangible assets	-	736
Deferred tax assets	66,175	-
Pension benefit surplus	-	-
Property, plant & equipment held for own use	34,408	8,756
Investments (other than assets held for index-linked and unit-linked contracts)	12,251,760	10,555,761
Property (other than for own use)	215,240	159,415
Holdings in related undertakings, including participations	4,454,160	2,893,511
Equities	8,535	8,535
Equities – listed	-	-
Equities – unlisted	8,535	8,535
Bonds	5,279,978	5,245,258
Government bonds	1,204,738	1,189,826
Corporate bonds	3,774,430	3,752,984
Structured notes	-	-
Collateralised securities	300,810	302,447
Collective investment undertakings	2,252,935	2,215,035
Derivatives	6,419	-
Deposits other than cash equivalents	34,492	34,008
Other investments	-	-
Assets held for index-linked and unit-linked contracts	-	-
Loans and mortgages	241,047	237,154
Loans on policies	-	-
Loans and mortgages to individuals	260	287
Other loans and mortgages	240,787	236,868
Reinsurance recoverables from:	6,510,371	9,144,169
Non-life and health similar to non-life	6,509,495	9,142,687
Non-life excluding health	6,503,774	9,132,434

2025 Balance sheet, EUR thousand	Solvency II value	HGB value
Health similar to non-life	5,721	10,253
Life and health similar to life, excluding health and index-linked and unit-linked	876	1,482
Health similar to life	-	-
Life excluding health and index-linked and unit-linked	876	1,482
Life index-linked and unit-linked	-	-
Deposits to cedants	16,442	16,443
Insurance and intermediaries receivables	1,513,181	1,397,926
Reinsurance receivables	168,261	91,405
Receivables (trade, not insurance)	1,111,774	1,098,654
Own shares (held directly)	-	-
Amounts due in respect of own-funds items or initial fund called up but not yet paid in	-	-
Cash and cash equivalents	514,183	514,183
Any other assets, not elsewhere shown	55,093	78,827
Total assets	22,482,696	23,144,014

2025 Balance sheet, EUR thousand	Solvency II value	HGB value
Liabilities		
Technical provisions – non-life	14,266,610	18,137,959
Technical provisions – non-life (excluding health)	14,024,229	17,869,716
Technical provisions calculated as a whole	-	-
Best estimate	13,735,495	-
Risk margin	288,734	-
Technical provisions – health (similar to non-life)	242,381	268,243
Technical provisions calculated as a whole	-	-
Best estimate	233,295	-
Risk margin	9,086	-
Technical provisions – life (excluding index-linked and unit-linked)	30,581	58,721
Technical provisions – health SLT	267	470
Technical provisions calculated as a whole	-	-
Best estimate	267	-
Risk margin	-	-
Technical provisions – life (excluding health and index-linked and unit-linked)	30,315	58,251
Technical provisions calculated as a whole	-	-
Best estimate	30,315	-
Risk margin	-	-
Technical provisions – index-linked and unit-linked	-	-
Technical provisions calculated as a whole	-	-
Best estimate	-	-
Risk margin	-	-
Other technical provisions	-	1,030,965
Contingent liabilities	-	-
Provisions other than technical provisions	117,344	124,682
Pension benefit obligations	481,487	471,612
Deposits from reinsurers	233,224	233,224
Deferred tax liabilities	85,827	-
Derivatives	7,210	-
Debts owed to credit institutions	-	-
Financial liabilities other than debts owed to credit institutions	26,738	290
Insurance & intermediaries payables	547,195	431,940
Reinsurance payables	512,130	435,280
Payables (trade, not insurance)	1,315,962	1,317,302
Subordinated liabilities	331,918	381,623
Subordinated liabilities not in BOF	-	-
Subordinated liabilities in BOF	331,918	381,623

2025 Balance sheet, EUR thousand	Solvency II value	HGB value
Any other liabilities, not elsewhere shown	111,780	111,373
Total liabilities	18,068,007	22,734,971
Excess of assets over liabilities	4,414,690	409,043

General information

In general, assets and liabilities are measured at the amount at which they can be exchanged, transferred or settled between knowledgeable, willing parties in an arm's length transaction. Measuring assets and liabilities requires an economic, market-oriented and risk-based approach. The risks arising from certain balance sheet items are considered and market assumptions taken into account. For this reason, appropriate consideration is given to risk, uncertainty and discounting in all items.

Given that the Solvency II provisions are based on the International Financial Accounting Standards (IFRS), the IFRS balance sheet is used as the basis for the revaluation. Companies that do not conduct business with material financial options and guarantees use an existing balance sheet in accordance with IFRS or national generally accepted principles of accounting and revalue each item pursuant to the Solvency II requirements.

Fair value

In general, fair value is identical under IFRS and Solvency II. Fair value is the price that would be received upon selling an asset or paid upon transferring a liability in an orderly transaction between market players at the valuation date.

Active market

Valuation at fair value is based on observable market prices on an active market. A financial instrument is regarded as quoted on an active market if quoted prices are provided easily and regularly by a stock exchange, a trader, a broker, an industry group, a pricing service or a supervisory authority and these prices represent current and frequent market transactions on an arm's length basis. An active market is a market on which the traded products are homogeneous, willing buyers and sellers can usually be found at all times and prices are made available to the public.

Inactive market

The following circumstances may result in an inactive market:

- There are only a few transactions.
- Quotations are not based on current information or vary considerably either over time or between market participants.
- There is a large bid-ask-spread or a significant increase in this.
- Indices that previously showed a strong correlation with the fair value of the asset or liability are demonstrably no longer correlated with the latest fair values for this asset or liability.
- There is a significant increase in implicit liquidity risk premiums, returns or performance indicators (such as default rates and severity of loss) for observable transactions or the prices quoted in comparison to the reporting entity's estimate of expected cash flows, taking into account all available market data on the credit and other non-performance risks for the asset or liability.
- There is a substantial decline in or lack of a market for new issues for the asset or liability or similar assets or liabilities.
- Little information is made available to the public (e.g. a principal-to-principal market).

Principal market

A principal market is the market with the highest volume and activity levels for the asset or liability. It is not necessarily the market with the best prices. The undertaking must be able to access the market. In the absence of evidence to the contrary, the principal market is the market on which the undertaking usually enters into a transaction to sell the asset or transfer a liability.

The principal market is usually the market that the undertaking would normally use unless there is objective evidence (e.g. a decline in market activities, increased restrictions on access etc.) that another market is the principal market. The principal market is remeasured at least once per year.

We take into account all information that can reasonably be accessed. Determining the principal market for non-standard OTC contracts could be based on the nature of the contract (e.g. interest swap) or on the individual contract (e.g. swap contract X). At the Talanx Group, determining the principal market for OTC derivatives generally depends on the nature of the contract.

In the Talanx Group, markets are determined as follows: the principal market for equities, futures and standard options is the local stock exchange. For bearer bonds, registered bonds, ABS/MBS and OTC derivatives (e.g. interest swaps, credit default swaps, currency futures), the principal market comprises the institutional brokers that have banks as trading partners. These markets are the principal markets where the undertaking has access to the market, generally uses this market for trading and that have the largest volume for the respective asset class. They are usually measured on the basis of information available that relates to these markets.

The most advantageous market

Where there is no clear principal market for assets and liabilities, the fair value valuation is based on the most advantageous market. On the most advantageous market, the undertaking maximises the value of selling an asset or minimises the value of transferring a liability. The undertaking must be able to access the market.

Where there are multiple possible markets, the most advantageous market is the market on which the undertaking receives the highest net income from sales after deducting transaction costs or transport costs (for property, plant and equipment). This does not affect the valuation at fair value, which is based on the purchase price without deducting transaction costs. Accordingly, the market that offers the highest net return on sales is not necessarily the market that delivers the highest fair value.

Valuation methods

Assets and liabilities are usually measured under the going concern assumption. The valuation methods applied are consistent with Article 75 of Directive 2009/138/EC. Assets and liabilities (in contrast to technical provisions) are measured in accordance with IAS/IFRS standards. If the IAS/IFRS valuation methods are temporarily or permanently not consistent with the valuation approach set out in Article 75 of Directive 2009/138/EC, other valuation methods in accordance with this Article are applied.

The following valuation hierarchy is used for the valuation of assets and liabilities in accordance with market-based valuation methods:

Quoted prices on active markets are used for the same assets or liabilities as the standard valuation method. If it is not possible to use quoted prices, quoted prices on active markets for comparable assets and liabilities are used and adjusted where necessary. All observable, relevant market information is taken into account in this process.

When valuing the liabilities, no adjustment is made in order to take account of the undertaking's own credit quality.

If no publicly available quoted prices exist, or if the markets from which they are taken are not considered active, the assets are valued theoretically.

The classification of the market valuation in accordance with the explanatory text of Guideline 7 of the EIOPA Guidelines on the SFCR BoS. 15/109, Point 2.22. is implemented as follows:

a) Quoted prices in active markets for identical assets: assets that are valued using (unadjusted) prices quoted directly in active markets.

b) Quoted prices in active markets for similar assets: assets that are valued for (unadjusted) prices for similar assets quoted directly in active markets. This method is not used at the undertaking.

c) Inputs other than quoted prices in active markets for identical or similar assets that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices): assets that are measured using observable market data and are not allocated to category a). Measurement is based in particular on prices for comparable assets that are traded in active markets, prices in markets that are not deemed active and input parameters derived from such prices and market data.

d) Input parameters not based on observable market data: assets that cannot be valued or can only be valued in part using input parameters observable in the market. These instruments are primarily measured using valuation models and methods.

An input is considered significant if it has an influence on more than 10.0% of the financial instrument's valuation.

No changes to valuation methods and procedures were made in the reporting year in comparison to the prior year.

D.1 Assets

Goodwill

EUR thousand	Solvency II value	HGB value
Goodwill	-	-

No asset is assigned to this item at HDI Global SE.

Deferred acquisition costs

EUR thousand	Solvency II value	HGB value
Deferred acquisition costs	-	-

No asset is assigned to this item at HDI Global SE.

Intangible assets

EUR thousand	Solvency II value	HGB value
Intangible assets	-	736

HGB valuation:

Intangible assets under HGB constitute acquired insurance portfolios and purchased software.

In accordance with HGB, intangible assets are covered under fixed assets and must be recognised. These include licences, rights, patents, goodwill and software. However, not all intangible assets can be capitalised in the balance sheet. Whereas purchased intangible assets must be capitalised, capitalising internally generated fixed assets is optional. Intangible assets under HGB are carried at cost less amortisation in line with the standard useful life.

Solvency II valuation:

In accordance with the Solvency II requirements, the definitions in IAS 38 – including the definition of active markets – apply to intangible assets in Solvency II. They are valued at zero unless they can also be sold individually and a quoted market price exists for identical or similar intangible assets in an active market. In most cases, intangible assets (e.g. trademarks, patents etc.) are not regularly traded on the active market. Software is often custom developed for an undertaking and cannot be sold to another undertaking.

Difference in valuation:

The difference between the Solvency II value and the HGB value results from purchased intangible assets not included in the solvency balance sheet for the reasons given above.

Deferred tax assets EUR thousand	Solvency II value	HGB value
Deferred tax assets	66,175	-

The valuation of deferred taxes under Solvency II is described in the remarks on passive deferred tax liabilities in chapter D.3.

The deferred tax assets of EUR 66,175 thousand essentially originate from the difference in valuation of the reinsurance recoverables. Other than the deductible temporary differences and loss carryforwards detailed in chapter D.3 on deferred taxes, which were considered in the assessment of recoverability, no other unused tax credits or tax losses are known at present.

Pension benefit surplus

EUR thousand	Solvency II value	HGB value
Pension benefit surplus	-	-

No asset is assigned to this item at HDI Global SE.

Property, plant & equipment held for own use

EUR thousand	Solvency II value	HGB value
Property, plant & equipment held for own use	34,408	8,756

HGB valuation:

This item includes operating and office equipment (office appliances, fixtures, furniture, vehicles etc.) and owner-occupied properties.

Operating and office equipment, where this is classed as long lived assets, is recognised at cost less depreciation permitted for tax purposes.

Other property, plant and equipment is carried at acquisition or production cost less depreciation and write-downs.

Owner-occupied property is valued in line with investment property, which is described under the item property (other than for own use).

Solvency II valuation:

Operating and office equipment and other property, plant and equipment is measured in accordance with HGB. Owner-occupied property is included in the solvency balance sheet at its market value. As under the IFRS standard, Solvency II, also takes into account receivables from leasing transactions, which are not recognised under HGB.

Difference in valuation:

The difference between the Solvency II value and the HGB value in the amount of EUR 25,652 thousand is due to receivables from leasing transactions.

Property (other than for own use)

EUR thousand	Solvency II value	HGB value
Property (other than for own use)	215,240	159,415

This item includes real estate held for sale or provided to third parties and investment funds.

HGB valuation:

Land, land rights and buildings, including buildings on third-party land, are recognised at acquisition or production cost less depreciation of the buildings in accordance with the standard useful life (Section 341b(1) sentence 1, in conjunction with Sections 253(1) sentence 1, 253(3) and Section 255(1) and 255(2) HGB) and depreciation if permanent impairment is expected (Section 253(3) sentence 5 and 253(5) HGB).

Solvency II valuation:

Bases for valuation

As per Solvency II, a distinction is initially to be drawn for properties as to whether these are considered as held for own use or as investment property. Property that is partially held for own use and partially rented is divided in the solvency balance sheet on the basis of its use between the categories property, plant & equipment held for own use and property (other than for own use). In contrast to IFRS/local GAAP (HGB), properties not intended for own use is included in the solvency balance sheet at their fair value, which is defined as follows: the market value (fair value) is determined by the price that could be realised in the ordinary course of business at the time to which the valuation relates, taking into account the legal circumstances and actual characteristics, other features and location of the property or other object of the valuation without regard to unusual or personal circumstances.

Methods

Property – i.e. developed and undeveloped properties and land rights – is measured objectively in accordance with standardised market principles and methods. To do this, the market value of the land, land rights and buildings (including buildings on third-party land) is calculated using the discounted cash flow method. The discounted cash flow method is primarily used for developed land where the purpose of ownership is to generate income for the long term – i.e. for longer than the remaining useful life. The discounted cash flow method is a direct comparable method of valuation based on using the property yield derived from comparative purchase prices.

Market value must be measured once a year at the reporting date or, in the case of unusual changes, at the time such changes occur. All calculations must be based on the general values pertaining on the property market at the time the valuations are performed. This also applies for the condition of the land itself. There are some exceptions whereby the condition of the property at another point in time can be assumed. A qualified external appraisal is obtained every five years as at the reporting date to determine the applicable fair value. Internal appraisals of the value of all properties are prepared as at the other reporting dates to review the values; these reports are also based on the discounted cash flow method.

Key assumptions

Interim reporting uses the market values reported in the most recent annual financial statements. If significant changes potentially impacting the value occur, an additional intra-year market value valuation is performed as at the time of their occurrence and is used for interim reporting from the measurement date onwards. Examples of significant changes potentially impacting the value include changes in vacancy rates and tenant bankruptcies.

Property – i.e. developed and undeveloped properties and land rights – is measured objectively in accordance with standardised market principles and methods. To do this, the market value of the land, land rights and buildings (including buildings on third-party land) is calculated using the discounted cash flow method. The discounted cash flow method is primarily used for developed land where the purpose of ownership is to generate income for the long term – i.e. for longer than the remaining useful life. The discounted cash flow method is a direct comparable method of valuation based on using the property yield derived from comparative purchase prices.

Market value must be measured once a year at the reporting date or, in the case of unusual changes, at the time such changes occur. All calculations must be based on the general values pertaining on the property market at the time the valuations are performed. This also applies for the condition of the land itself. There are some exceptions whereby the condition of the property at another point in time can be assumed. A qualified external appraisal is obtained every five years as at the reporting date to determine the applicable fair value. Internal appraisals of the value of all properties are prepared as at the other reporting dates to review the values; these reports are also based on the discounted cash flow method.

Difference in valuation:

The difference between the Solvency II value and the HGB value stems from the different valuation approaches.

Holdings in related undertakings, including participations

EUR thousand	Solvency II value	HGB value
Holdings in related undertakings, including participations	4,454,160	2,893,511

This item includes holdings in related undertakings and participations. This consists primarily of strategic assets.

HGB valuation:

Holdings in related undertakings and participations are recognised at cost less any write-downs to the lower fair value in accordance with Section 341b(1) sentence 2 HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB.

Solvency II valuation:

Bases for valuation

This item includes holdings in related undertakings and participations. These may include both strategic and non-strategic assets.

Methods

In accordance with Solvency II, holdings in related undertakings and participations are measured using suitable standard market procedures and methods. The adjusted equity method is used for holdings/participations within the HDI V.a.G or Talanx basis of consolidation. The carrying amount is replaced as at the reporting date by the joint excess of assets over liabilities (shareholders net assets – SNA).

Key assumptions

None.

Difference in valuation:

The difference between the Solvency II value and the HGB value is due to the different valuation methods used, in particular the hidden reserves.

Equities

EUR thousand	Solvency II value	HGB value
Equities – listed	-	-
Equities – unlisted	8,535	8,535

Equities and holdings in limited partners (not consolidated) are listed under this item. Participations are not included. Equities represent Group capital, e.g. a participation in a corporation that is (not) listed on a public stock exchange.

HGB valuation:

Equities, provided they are managed pursuant to the principles of current assets, are recognised at the lower of cost or market value at the reporting date. The requirement to reverse impairment losses is observed (Section 341b(2) HGB, in conjunction with Sections 255(1) and 253(1) sentence 1, 253(4) and 253(5) HGB). As per the regulations in force for fixed assets, securities that are used for day-to-day business operations are measured in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB). Permanent impairment losses are written down through profit or loss. The 20.0% threshold recommended by the IDW's Insurance Expert Committee is used to determine whether the equities are expected to be permanently impaired. Accordingly, a permanent impairment can always be deemed to exist if the fair value of a security is permanently more than 20.0% below the carrying amount in the six months preceding the reporting date and if the average value of the daily stock market prices in the last 12 months is more than 10% below the carrying amount.

Solvency II valuation:

Bases for valuation

The value of listed equities is measured on the basis of the most recent available quoted prices. Alternative valuation methods are used for unlisted equities. This applies in particular to the reporting of special investment vehicles for alternative investments (e.g. private equity investments), which for business policy reasons are established as participation structures and are thus not considered equity investments.

Methods

Listed equities are valued at the level of the individual holdings. The standard approach uses the quoted price on the security's home exchange. However, if expedient (e.g. due to more liquid trading) the price quoted on another exchange can be used instead.

A hierarchy of price types is applied independently of the trading platform. Top priority is given to bid (the price at which the security can be sold). If this is not available, the price types Traded (i.e. the last price traded for the day) and Close (i.e. the official closing price for the security set by the stock exchange, not published until the following day) are used as the second and third options.

The alternative investment vehicles mentioned above are measured using the net asset value method. Net asset value is the total value of all assets (in this case primarily the target investments and bank balances and deposits) less the value of any liabilities. Target investments (in this case the actual alternative investments such as private equity investments) usually have the legal form of a single member company. They have audited annual or quarterly financial statements. Target investments are thus equity investments (only an interest in a target investment is usually held); these are included in the valuation of the entire alternative investment vehicle at the value reported in the audited financial statements. All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Key assumptions

None.

Difference in valuation:

None.

Government and corporate bonds

EUR thousand	Solvency II value	HGB value
Government bonds	1,204,738	1,189,826
Corporate bonds	3,774,430	3,752,984

This item includes investments such as bearer bonds and other fixed-income securities, registered bonds, notes receivable and loans to related undertakings.

HGB valuation:

Registered bonds, notes receivable and loans to related undertakings are recognised at amortised cost (Section 341c(3) HGB). On acquisition, the capital investments are recognised at the purchase price. The difference relative to the repayment amount is amortised using the effective interest method. Required write-downs are recognised in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB).

Provided they are managed pursuant to the principles of current assets, bearer bonds and other fixed-income securities and other investments are recognised at the lower of cost or market value at the reporting date. The requirement to reverse impairment losses is observed (Section 341b(2) HGB, in conjunction with Sections 255(1) and 253(1) sentence 1, 253(4) and 253(5) HGB). As per the regulations in force for fixed assets, securities that are used for day-to-day business operations are measured in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB). Permanent impairment losses are written down through profit or loss. Credit checks on issuers and changes in ratings are used to assess whether bearer bonds and other fixed-income securities that are accounted for as fixed assets are permanently impaired. In the case of securities acquired above or below par, the difference is amortised over the remaining term, applying the effective interest method.

Solvency II valuation:

Bases for valuation

Government and corporate bonds are valued either on the basis of quoted prices in active markets or, if no publicly available quoted prices exist, or if the markets from which they are taken are not considered active, they are valued theoretically.

Methods

Market quotations are sourced from selected pricing service agencies, trading information systems and intermediaries who are considered to be reliable (brokers). The available pricing information sources are ranked in a hierarchy. The highest priority is generally given to pricing service agencies and the lowest to intermediaries. There may be exceptions, e.g. for selected market segment/currency combinations.

If no publicly available quoted prices exist, or if the markets from which they are taken are not considered active, the bonds are theoretically measured on the basis of input parameters derived from observable market data (interest rate term structures and spread curves) using appropriate valuation models and procedures, and taking the issuer's credit rating into consideration. The present value method is used to measure the value of bonds without any special structured features. In this method, the future payouts for the instrument in question are discounted to the current date. The discount rates used consist of a term-dependent underlying component (derived from the risk-free interest rate) and an issuer/issue-specific risk premium that takes spread, migration and default risk into account.

All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Key assumptions

Theoretical valuations using derived market input parameters for bonds for which no publicly available quoted prices exist are based on the assumption that price differences as regards the risk, maturity and credit quality of listed bonds that are comparable in transparent markets are primarily due to issue-specific features and lower liquidity.

Difference in valuation:

The difference between the Solvency II value and the HGB value is due to hidden reserves/liabilities resulting from the market value approach (including accrued interest for interest-bearing instruments) pursuant to Solvency II in comparison to the accounting under commercial law in accordance with HGB.

Structured notes

EUR thousand	Solvency II value	HGB value
Structured notes	-	-

No asset is assigned to this item at HDI Global SE.

Collateralised securities

EUR thousand	Solvency II value	HGB value
Collateralised securities	300,810	302,447

This item includes various types of collateralised securities. These include Asset Backed Securities (ABS), Mortgage Backed Securities (MBS), Commercial Mortgage Backed Securities (CMBS), Collateralised Debt Obligations (CDO), Collateralised Loan Obligations (CLO) and Collateralised Mortgage Obligations (CMO). They do not include German covered bonds *(Pfandbriefe)* or other legally collateralised securities subject to special legal regulations. These are included under bonds.

HGB valuation:

Collateralised securities are assigned to bearer bonds and other fixed-income securities. Provided they are managed pursuant to the principles of current assets, they are recognised at the lower of cost or market value at the reporting date. The requirement to reverse impairment losses is observed (Section 341b(2) HGB, in conjunction with Sections 255(1) and 253(1) sentence 1, 253(4) and 253(5) HGB). As per the regulations in force for fixed assets, securities that are used for day-to-day business operations are measured in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB). Permanent impairment losses are written down through profit or loss. Credit checks on issuers and changes in ratings are used to assess whether securities that are accounted for as fixed assets are permanently impaired. In the case of securities acquired above or below par, the difference is amortised over the remaining term, applying the effective interest method.

Solvency II valuation:

Bases for valuation

Public quotations are not always available for collateralised securities. They are then theoretically valued using own valuation models or externally using special service providers. Public quotations are used where available.

Methods

If no public quotations are available, the market value is calculated using own calculations or using a mark-to-model approach. This uses special databases that make it possible to measure the underlying securities or receivables portfolio.

Any collateral furnished is treated as a risk-mitigating factor when calculating the valuation, although spread, migration and default risk is still taken into account.

All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Key assumptions

Assumptions are made for collateralised securities about prepayment speed and recovery rates.

Difference in valuation:

The difference between the Solvency II value and the HGB value is due to hidden reserves/liabilities resulting from the market value approach (including accrued interest for interest-bearing instruments) pursuant to Solvency II in comparison to the accounting under commercial law in accordance with HGB.

Collective investment undertakings

EUR thousand	Solvency II value	HGB value
Collective investment undertakings	2,252,935	2,215,035

This item includes real estate funds, balanced funds, bond funds, funds of funds and equity funds.

HGB valuation:

Holdings or equities in investment funds, provided they are managed pursuant to the principles of current assets, are recognised at the lower of cost or market value at the reporting date. The requirement to reverse impairment losses is observed (Section 341b(2) HGB, in conjunction with Sections 255(1) and 253(1) sentence 1, 253(4) and 253(5) HGB). As per the regulations in force for fixed assets, securities that are used for day-to-day business operations are measured in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB). Permanent impairment losses are written down through profit or loss. The criteria recommended by the Insurance Expert Committee of the IDW are used to determine the existence of a probable permanent impairment of units or shares or equities in investment funds. Accordingly, a permanent impairment can always be deemed to exist if the fair value of a security is permanently more than 20% below the carrying amount in the six months preceding the reporting date and if the average value of the daily stock market prices in the last 12 months is more than 10% below the carrying amount. In the case of shares or equities in investment funds, the assessment of the probable permanence of an impairment is based on the assets held in the fund (look-through) if there is a hidden burden on the investment unit as at the reporting date.

Solvency II valuation:

Bases for valuation

Investment funds are valued at the official redemption price.

Methods

The redemption price is regularly calculated and published by the investment company (asset management company) using a defined methodology. These can also generally be obtained automatically from pricing service agencies. Alternatively, the net asset value method can be used. Net asset value is the total value of all assets (in this case primarily the investments and bank balances and deposits) less the value of any liabilities.

All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Key assumptions

None.

Difference in valuation:

The difference between the Solvency II value and the HGB value is due to hidden reserves/liabilities resulting from the market value approach (including accrued interest for interest-bearing instruments) pursuant to Solvency II in comparison to the accounting under commercial law in accordance with HGB.

Derivatives

EUR thousand	Solvency II value	HGB value
Derivatives	6,419	-

Derivatives are contracts whose economic value is based on an underlying asset. At HDI Global SE, only currency futures for hedging are recognised here.

HGB valuation

Derivatives are measured at the lower of cost or fair value at the reporting date. Provisions for anticipated losses are recognised in the case of negative fair values.

Solvency II valuation:

Bases for valuation

Financial derivatives (e.g. options or futures) are measured on the basis of quoted prices on active markets. If no quoted prices are available, the items are measured theoretically.

Solvency II valuation:

Methods

The standard approach uses the quoted price on the security's home exchange. However, if expedient (e.g. due to more liquid trading) the price quoted on another exchange can be used instead.

If no quoted prices are available, the derivatives are theoretically measured on the basis of input parameters derived from observable market data (interest rate term structures and spread curves, volatilities, spot and forward rates and other input parameters) using appropriate valuation models and procedures. Examples of the valuation methods used include:

Stock options are measured using the Black-Scholes model, which uses a stochastic process to determine the future probability distribution of prices considering current market data (including volatilities) and then algorithmically calculates the value of the option.

A variant of the Black-Scholes model, known as the Black-76 formula, is used to value options on interest rates (swaptions).

Credit default swaps are valued on the basis of the ISDA model, which determines future default probabilities based on current market data (including spread curves) and calculates the current value by discounting resulting payment profiles.

Other derivatives without option components, such as currency futures, forward purchases and swaps, can be measured using the present value method by discounting future cash flows.

All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Solvency II valuation:

Key assumptions

The Black-Scholes model and the Black-76 model are based on the assumption that equity prices and interest rates follow certain stochastic processes and distributions.

The ISDA method also involves certain stochastic assumptions, as well as assumptions about recovery rates of the bonds.

Difference in valuation

The difference between the Solvency II value and the HGB value is due to the negative fair value, which is not recognised under HGB. A provision for anticipated losses is recognised instead.

Deposits other than cash equivalents

EUR thousand	Solvency II value	HGB value
Deposits other than cash equivalents	34,492	34,008

This item includes time deposits.

HGB valuation:

Deposits are measured at their nominal amount.

Solvency II valuation:

Deposits are measured at the redemption value.

Difference in valuation:

The difference between the Solvency II value and the HGB value is due to hidden reserves/liabilities resulting from the market value approach (including accrued interest for interest-bearing instruments) pursuant to Solvency II in comparison to the accounting under commercial law in accordance with HGB.

Other investments

EUR thousand	Solvency II value	HGB value
Other investments	-	-

No asset is assigned to this item at HDI Global SE.

Assets held for index-linked and unit-linked contracts

EUR thousand	Solvency II value	HGB value
Assets held for index-linked and unit-linked contracts	-	-

No asset is assigned to this item at HDI Global SE.

Loans on policies

EUR thousand	Solvency II value	HGB value
Loans on policies	-	-

No asset is assigned to this item at HDI Global SE.

Loans and mortgages

EUR thousand	Solvency II value	HGB value
Loans and mortgages to individuals	260	287
Other loans and mortgages	240,787	236,868

This item includes mortgage, land and annuity land charges.

HGB valuation:

Mortgages, land and annuity charges and other loans are recognised at amortised cost (Section 341c(3) HGB). On acquisition, the capital investments are recognised at the purchase price. The difference relative to the repayment amount is amortised using the effective interest method. Required write-downs are recognised in accordance with the less strict lower-of-cost-or-market principle (Section 341b(2) second half-sentence HGB, in conjunction with Section 253(1) sentence 1 and 253(3) sentence 5 HGB).

Solvency II valuation:

Bases for valuation

Loans and mortgages are valued theoretically.

Methods

The theoretical value of loans is measured on the basis of input parameters derived from observable market data (interest rate term structures and spread curves) using appropriate valuation models and procedures, taking the issuer's credit rating into consideration. The present value method is used to measure the value of loans without any special structured features. In this method, the future payouts for the instrument in question are discounted to the current date. The discount rates used consist of a term-dependent underlying component (derived from the risk-free interest rate) and an issuer/issue-specific risk premium that takes spread, migration and default risk into account.

Mortgages are measured using the present value method, without taking into consideration individual credit spreads.

All methods and definitions used are reviewed at least once a year to ensure they remain up to date and adequate; they are then amended if necessary.

Key assumptions

Mortgage valuations take options such as break options into account using a flat-rate allowance.

Difference in valuation:

The difference between the Solvency II value and the HGB value results from valuation reserves.

Reinsurance recoverables

EUR thousand	Solvency II value	HGB value
Non-life and health similar to non-life	6,509,495	9,142,687
Non-life excluding health	6,503,774	9,132,434
Health similar to non-life	5,721	10,253
Life and health similar to life, excluding health and index-linked and unit-linked	876	1,482
Health similar to life	-	-
Life excluding health and index-linked and unit-linked	876	1,482
Life index-linked and unit-linked	-	-

Reinsurance recoverables are here defined as ceded technical provisions. Under local GAAP (HGB), the reinsurance share of technical provisions is reported here. These items, including their allocation to the divisions, are described in chapter D.2, where net always refers to the provision after deducting reinsurance recoverables.

Deposits to cedants

EUR thousand	Solvency II value	HGB value
Deposits to cedants	16,442	16,442

HGB valuation:

The item includes deposits to cedants from reinsurance accepted business and is recognised at its nominal amount.

The value of deposits to cedants (or deposits from reinsurers) is measured on the basis of the consideration paid or received less specific premiums or fees estimated by the cedant or the reinsurer, regardless of experience with the contract.

Solvency II valuation:

The value in the solvency balance sheet calculated under HGB is used for deposits to cedants.

Difference in valuation:

None.

Insurance and intermediaries receivables

EUR thousand	Solvency II value	HGB value
Insurance and intermediaries receivables	1,513,181	1,397,926

HGB valuation:

This item includes receivables from policyholders, receivables from insurance intermediaries and receivables from reinsurance undertakings from assumed business (inwards reinsurance), including the corresponding impairment losses. The HGB value includes receivables from these items that are both past due and current.

Receivables are generally measured up to their full nominal amount in accordance with HGB. If a problem with the debtor's credit quality is reported, the receivable in question is written down to the recoverable amount.

Solvency II valuation:

The HGB value can be considered a suitable representation of the Solvency II value and is thus not revalued. One exception to this is the different methodology used for netting receivables with liabilities. For Solvency II purposes, netting is carried out separately for each partner for inwards and ceded reinsurance. Under HGB, netting is calculated for each partner using the sum of the transaction types.

Difference in valuation:

The EUR 115,255 thousand difference between the Solvency II value and the HGB value is essentially due to the different method of calculating the netting of settlement receivables with settlement liabilities.

Reinsurance receivables

EUR thousand	Solvency II value	HGB value
Reinsurance receivables	168,261	91,405

This item includes settlement receivables from ceded reinsurance business. Reinsurance receivables are non-technical items, as amounts depend on the debtor's liquidity as opposed to the underwriting risk.

HGB valuation:

In accordance with HGB, reinsurance receivables are capitalised at their nominal amounts. The HGB value includes receivables from these items that are both past due and current.

Solvency II valuation:

The HGB value can be considered a suitable representation of the Solvency II value and is thus not revalued. One exception to this is the different methodology used for netting receivables with liabilities. For Solvency II purposes, netting is carried out separately for each partner for inwards and ceded reinsurance. Under HGB, netting is calculated for each partner using the sum of the transaction types.

Difference in valuation:

The difference between the Solvency II value and the HGB value of EUR 76,855 thousand is mainly due to the different method of calculating the netting of accounts receivable with accounts payable as explained above.

Receivables (trade, not insurance)

EUR thousand	Solvency II value	HGB value
Receivables (trade, not insurance)	1,111,774	1,098,654

HGB valuation:

The following items are recognised here:

- Tax receivables
- Dividends receivable
- Receivables from service agreements
- Receivables from profit absorption by related undertakings
- Receivables from non-lead business
- Other receivables

Receivables are generally measured at their full nominal amount in accordance with HGB.

Solvency II valuation:

The HGB value can be considered a suitable representation of the Solvency II value. The fair value and the residual carrying amount are identical. If not, the amount must be revalued to value receivables in the solvency balance sheet at fair value.

Difference in valuation:

The difference between the Solvency II value and the HGB value in the amount of EUR 13,120 thousand is mainly due to the different valuation of receivables from other investments, predominantly from real estate.

Own shares (held directly)

EUR thousand	Solvency II value	HGB value
Own shares (held directly)	-	-

No asset is assigned to this item at HDI Global SE.

Amounts due in respect of own-funds items or initial fund called up but not yet paid in

EUR thousand	Solvency II value	HGB value
Amounts due in respect of own-funds items or initial fund called up but not yet paid in	-	-

No asset is assigned to this item at HDI Global SE.

Cash and cash equivalents

EUR thousand	Solvency II value	HGB value
Cash and cash equivalents	514,183	514,183

Cash at banks and cheques are recognised in this item. Cash at banks, cheques and cash-in-hand are carried at their nominal value in accordance with HGB and Solvency II.

Any other assets, not elsewhere shown

EUR thousand	Solvency II value	HGB value
Any other assets, not elsewhere shown	55,093	78,827

HGB valuation:

The following HGB items

- Accrued interest and rent
- Prepaid expenses
- Reinsurance receivables
- Advance payments

are classified as other receivables and generally measured at their full nominal amount in accordance with HGB.

Solvency II valuation:

The HGB value can be considered a suitable representation of the Solvency II value. Given this, no revaluation is required and the Solvency II value is the same as that under HGB.

Difference in valuation:

The EUR -23,734 thousand difference between the Solvency II value and the HGB value is due to the following:

- A difference of EUR -70,746 thousand is due to accrued interest, which is directly allocated to investments under Solvency II.
- A difference of EUR 45,305 thousand is due to the receivables from pension acquisition agreements with other HDI Group undertakings recognised in the solvency balance sheet.
- A difference of EUR -4,311 thousand is due to the anticipated impairment on receivables.
- A difference of EUR -658 thousand is due to the different base used for a prepaid expenses item.

D.2 Technical provisions

HDI Global SE's technical provisions are generated by revaluing the nominal provisions for claims outstanding relevant to Solvency II recognised in Talanx AG's consolidated financial statements and the unearned premium reserve before deduction of administrative expenses calculated in the financial statements of HDI Global SE. This is done in three steps.

- In the first step, the nominal provisions for claims outstanding are revalued. This produces the best estimate for claims provisions under Solvency II (BECP).
- Secondly, the best estimate for premium provisions under Solvency II (BEPP) is formed as a provision for future cover.
- Finally, a net risk margin is calculated for the loss portfolio to reflect the inherent uncertainty in this portfolio and is added to the BECP and BEPP amounts. This produces the technical provisions under Solvency II (TP).

The valuation follows the procedure in the internal model approved by regulatory authorities. The individual steps are described in more detail in the following sections. Details on the determination of the nominal provisions for claims outstanding, including characteristics of the respective Solvency II business segments, are provided below. All explanations also cover health similar to non-life and annuities stemming from non-life insurance contracts. In addition, reinsurance recoverables are regarded as ceded TP. Within ceded TP, there are no recoverables from special purpose entities in accordance with chapter XV of Directive 2009/138/EC to be taken into account. At present, no matching adjustment in accordance with Article 77b, no transitional deduction as per Article 308d and no adjustment beyond a transitional risk-free interest rate term structure as per Article 308c of Directive 2009/138/EC are carried out. Please see chapter D, D.1, D.3 for details on the valuation of settlement receivables and payables and deposits to cedants and deposits from reinsurers. All these components are currently shown separately in the solvency balance sheet and there is no (partial) recognition within the TP.

Best estimate for provisions for claims outstanding under Solvency II

The Best Estimate for provisions for claims outstanding (BECP) represents the technical provisions for past cover. To obtain the BECP, the nominal provisions for claims outstanding including provisions for reinstatement premiums are increased by an amount relating to internal loss adjustment expenses and investment management expenses, discounted and adjusted due to the expected reinsurer default with respect to ceded technical provisions.

The payment patterns for discounting are based on historical ratios of payments to the best estimates for the nominal claims provision and a recursive extrapolation of nominal provisions for claims outstanding, with gross patterns used for ceded provisions. The currency-specific interest rate term structures used in the calculation take into account a static volatility adjustment and are compliant with the corresponding interest rate term structures required by EIOPA.

The adjustment due to the expected reinsurance default is calculated using a conservative discount factor for each so-called DFA segment and each counterparty, which depends on the reinsurer's rating and the associated migration probabilities and is calculated on the basis of HDI Global SE's ceded cash flow.

Best estimate for premium provisions under Solvency II

The BEPP is calculated for obligations from the future transfer of risk for business that has been written but not yet earned as at the reporting date. The current calculation of the BEPP is based on the simplification formula set out in the technical Annex III of the guidelines on the valuation of technical provisions and analogously takes into account two company-specific summands, one for premiums that have already been received and one for future premiums. The figure includes the unearned premium reserve before the deduction of administrative expenses in accordance with local GAAP (HGB), the estimated present value of future premiums (PVFP) based on premium data, actuarially defined payout patterns, the interest rate term structures described in the preceding chapter, actuarial loss ratios and cost loss ratios from enterprise management. In addition, the BEPP includes an amount relating to investment management expenses and is adjusted due to the expected reinsurer default with respect to ceded provisions. With regard to the degree of uncertainty associated with the value of the technical provision and regarding the fundamental specifics of the lines of business the same statements apply as for the BECP.

Risk margin

The risk margin is an add-on resulting from the fact that a contracting party willing to assume the risk not only has to bear the expenses in the amount of the best estimates BECP and BEPP but also the costs incurred as a result of having to back the risk inherent in the loss portfolio with economic capital. The risk margin is calculated in accordance with Article 37 of the Commission Delegated Regulation (EU) 2015/35. The procedure is in line with method 2 in accordance with guideline 62 of the guidelines on the valuation of technical provisions. The calculation includes risk variables determined using the internal model, as well as payout patterns from the actuarial analyses and the interest rate term structures described above – in EUR only, excluding a volatility adjustment.

Comparison of technical provisions under Solvency II with provisions under local reporting

Regarding technical provisions, three components – the BECP, the BEPP and the risk margin – must be considered when comparing the figures recognised locally under local GAAP (HGB) and those in the solvency balance sheet.

The comparison between the BECP and the corresponding figures in the local balance sheet can be described in four steps. The first and most important step is the reconciliation of the provisions for claims outstanding, including the liability for the reinstatement premium, from local GAAP (HGB) to the nominal provisions for claims outstanding relevant to Solvency II, including the provision for the reinstatement premium and the addition of the internal loss adjustment expenses for Solvency II purposes (hereinafter referred to as the nominal loss reserve). The principle of prudence and individual claims reserving are contrasted by an actuarial valuation at portfolio level, which is described in detail below in the section “Nominal loss reserve”. This results in a net nominal loss reserve of EUR 8,226,324 thousand from net provisions under local GAAP (HGB) amounting to EUR 8,244,119 thousand. The second step involves the discounting as part of revaluing the nominal loss reserve to the Solvency II provisions. In net terms, discounting reduces provisions by EUR 1,208,983 thousand. The discounting takes into account a volatility adjustment which reduces the best estimate by a net amount of EUR 52,902 thousand. The third step comprises the effect of accounting for the expected default of a reinsurer on ceded provisions, which comes to of EUR 49,875 thousand in net terms. In the final step, this is followed by other net revaluation effects of EUR 31,967 thousand, which essentially covers the add-on of investment management expenses relating to technical provisions. Finally, this gives net BECP of EUR 7,099,183 thousand.

The BEPP is derived in five steps from the HGB unearned premium reserve before the deduction of administrative expenses. The first step involves transferring the HGB net unearned premium reserve before the deduction of administrative expenses of EUR 759,286 thousand to provisions for claims outstanding of EUR 685,539 thousand for future cover. As a next step, in addition to the provisions for premiums already recognised, a further claims provision is established for future coverage relating to future premium income not recognised in the balance sheet under local GAAP (HGB). The provisions are reduced by the premiums expected to be received, giving a net deduction of EUR 99,074 thousand. The third step involves discounting, taking into account the volatility adjustment and creating a net change of EUR -211,429 thousand. The fourth step comprises the effect of accounting for the expected default of a reinsurer on ceded provisions, which comes to of EUR 9,561 thousand in net terms. This is followed by other net revaluation effects of EUR 5,219 thousand, which currently covers only the add-on of investment management expenses relating to technical provisions. This results in a net BEPP of EUR 389,817 thousand in the solvency balance sheet.

There is no equivalent in local accounting of the EUR 297,820 thousand risk margin.

The following tables show additional details, in particular reconciliation figures for each key Solvency II division and the impact of the volatility adjustment.

Reconciliation of reserves under HGB to technical provisions under Solvency II for key Solvency II divisions and total In EUR thousand			(4) Motor vehicle liability insurance	(6) Marine, aviation and transport insurance	(7) Fire and other damage to property insurance	(8) General liability insurance	Total
HGB	BECP	Gross	1,155,653	809,654	4,906,968	8,932,574	**16,309,031**
		Net	**1,041,739**	**194,839**	**2,221,486**	**4,418,489**	**8,244,119**
	BEPP[1)]	Gross	43,041	101,090	1,177,501	520,921	**1,887,649**
		Net	**36,103**	**15,355**	**447,582**	**284,644**	**808,392**
	Best estimate	Gross	1,198,694	910,745	6,084,470	9,453,495	**18,196,680**
		Net	**1,077,841**	**210,193**	**2,669,068**	**4,703,133**	**9,052,511**
Nominal reserve	BECP	Gross	1,066,755	683,444	4,249,272	9,235,451	**15,720,487**
		Net	**967,889**	**161,253**	**2,038,826**	**4,704,952**	**8,226,324**
	BEPP	Gross	46,677	111,846	1,297,378	570,338	**2,074,709**
		Net	**37,658**	**10,516**	**400,848**	**287,028**	**759,286**
	Best estimate	Gross	1,113,432	795,290	5,546,650	9,805,789	**17,795,195**
		Net	**1,005,547**	**171,769**	**2,439,675**	**4,991,980**	**8,985,610**
Solvency II	BECP	Gross	**870,616**	**639,384**	**4,020,522**	**7,562,048**	**13,533,204**
		Net	**788,942**	**149,865**	**1,937,446**	**3,907,358**	**7,099,183**
	BEPP	Gross	**-8,394**	**-33,619**	**516,292**	**-9,619**	**466,168**
		Net	**2,124**	**34,194**	**273,914**	**78,932**	**389,817**
	Best estimate	Gross	**862,222**	**605,765**	**4,536,814**	**7,552,429**	**13,999,372**
		Net	**791,065**	**184,059**	**2,211,360**	**3,986,289**	**7,489,001**
	Risk margin	**Net**	**31,584**	**7,349**	**88,291**	**159,157**	**297,820**
	Technical provisions	Gross	**893,806**	**613,113**	**4,625,105**	**7,711,586**	**14,297,191**
		Net	**822,649**	**191,407**	**2,299,651**	**4,145,446**	**7,786,820**

Regarding the HGB lines in the table above, it should be noted that, for comparison with the Solvency II values, the components are listed corresponding to the components BECP, BEPP and the components of the best estimate in total. Component (1) is thus equal to the unearned premium reserve after the deduction of administrative expenses in accordance with local GAAP (HGB). It should also be noted that all other additional HGB provisions and liabilities for the reinstatement premium are currently assigned to the BECP. No equalisation reserve is shown in the HGB component.

Effect of the volatility adjustment on the technical provisions In EUR thousand		
BECP	Gross	-96,763
	Net	**-52,902**
BEPP	Gross	-23,750
	Net	**-10,616**
Best estimate	Gross	-120,512
	Net	**-63,518**

Prior year comparison

As with the corresponding local GAAP (HGB) provisions, there was an increase in the initial BECP value, i.e. the nominal loss reserves. This is due to general portfolio growth compared to the prior year. The changes described in the nominal provisions for claims outstanding and the resulting net increase are driving the rise in the net BECP under Solvency II. The increase in discount effects is primarily attributable to the rise in interest rates for the euro.

The initial BEPP value, i.e. net HGB unearned premium reserve before the deduction of administrative expenses, has risen slightly compared to last year. The amount therefore increased in line with the premiums written. This increases the nominal BEPP. However, this is offset by the greater relief provided by the PVFP component as a result of the planned portfolio growth.

The risk margin fell compared to the prior year. This is attributable, on the one hand, to a change in discounting due to the rise in interest rates in the eurozone economy. On the other hand, diversification between the underlying risk categories is increasing (in particular between reserve, operational and reinsurance default risks).

The following table shows the amounts of all effects for the current year compared to the prior year. This is followed by additional quantitative information on the impact of exchange rate fluctuations on original provisions.

Technical provisions – Solvency II Prior year comparison In EUR thousand			Financial year		Delta
			2025	2024	
HGB	BECP	Gross	16,309,031	15,849,066	**459,964**
		Net	**8,244,119**	**7,854,225**	**389,893**
	BEPP[1)]	Gross	1,887,649	2,012,246	**-124,597**
		Net	**808,392**	**795,534**	**12,858**
	Best estimate	Gross	18,196,680	17,861,312	**335,367**
		Net	**9,052,511**	**8,649,759**	**402,751**
Nominal reserve	BECP	Gross	15,720,487	15,325,341	**395,145**
		Net	**8,226,324**	**7,847,751**	**378,573**
	BEPP	Gross	2,074,709	2,197,395	**-122,687**
		Net	**759,286**	**736,888**	**22,399**
	Best estimate	Gross	17,795,195	17,522,737	**272,459**
		Net	**8,985,610**	**8,584,639**	**400,971**
Solvency II	BECP	Gross	13,533,204	13,382,054	**151,150**
		Net	**7,099,183**	**6,909,109**	**190,075**
	BEPP	Gross	466,168	566,177	**-100,009**
		Net	**389,817**	**398,392**	**-8,574**
	Best estimate	Gross	13,999,372	13,948,231	**51,141**
		Net	**7,489,001**	**7,307,500**	**181,500**
	Risk margin	**Net**	**297,820**	**316,259**	**-18,439**
	Technical provisions	Gross	14,297,191	14,264,489	**32,702**
		Net	**7,786,820**	**7,623,759**	**163,061**

Regarding the HGB lines in the table above, it should be noted that, for comparison with the Solvency II values, the components are listed corresponding to the components BECP, BEPP and the components of the best estimate in total. Component (1) is thus equal to the unearned premium reserve after the deduction of administrative expenses. It should also be noted that the liabilities for the reinstatement premium and all other HGB provisions are currently assigned to the BECP. No equalisation reserve is shown in the HGB component.

Nominal loss reserve

General information on business and valuation

HDI Global SE's portfolio has all the characteristics of a typical industrial insurance portfolio. All segments are highly volatile, although the causes of this volatility are always specific to the segment. The level of uncertainty is determined by the character of the segment and its level of maturity, i.e. the number of available, consistent occurrence years. Character in this context is defined as a combination of loss frequency, loss amount, the late claims burden, susceptibility to changes in jurisdiction and biometric risks. The diverse portfolios thus require a high level of familiarity with these respective attributes and good communication with the representatives of the lines.

Because of the characteristics listed above, none of the segments with substantial reserve volumes can be accessed by applying a single actuarial method. Instead, IFRS provisions are always calculated based on premises coordinated with the line of business and a suitable mix of methods.

Estimating claims provisions

The decisions made by HDI Global SE's reserve actuarial department are the result of applying suitable methods and assumptions. Therefore, the conclusions based on the information available appear realistic. However, it should be noted that the future loss adjustment may – even materially – differ from the estimates chosen. Estimates are always subject to uncertainty. New, relevant factors may also arise that were not known or not sufficiently known at the time of the current analysis and that may result in changes to the previous estimates.

Available data

The following data from local accounting is regularly available for analysis:

- Triangles for claims payments, case reserves and loss expenses, although the number of occurrence years that can reasonably be used varies from segment to segment
- Premiums earned in the period from 2002 to the current financial year
- Information on individual claims

The individual claims provisions shown under HGB are used as the best estimate for occurrence years outside the analysis period. This situation occurs whenever occurrence years do not have a complete history from the very beginning because of system migrations, acquisitions or for other reasons.

Actuarial segmentation

The data to be analysed is available for each HGB line of business, transaction type and country or branch. Some of these segments are very small and thus susceptible to false interpretations or overinterpretations on the basis of unusual individual events. The definition of the analysed segments thus takes into account the competing variables of the statistical population and homogeneity. For this reason, different HGB lines of business were aggregated in analysis segments and, in some cases, direct and indirect business were also combined. The analysis segments represent the lowest levels of analysis. For reporting purposes, data is aggregated to actuarial segments. The table below provides a list of these actuarial segments and how they are sorted into the lines of business under Solvency II in accordance with Annex I of the Directive 2009/138/EC.

Solvency II line of business		Actuarial segments
2	Occupational disability insurance	General casualty
4	Motor vehicle liability insurance	Motor liability
5	Other motor insurance	Own damage motor insurance
		Motor casualty
6	Marine, aviation and transport insurance	Aviation
		Other aviation
		Transport
7	Fire and other damage to property insurance	Fire insurance
		Engineering insurance
		Compact/multi risk
		Comprehensive homeowners insurance - industry
		Comprehensive householders insurance
8	General liability insurance	Business liability
		Crisis management
		Cyber insurance
		D&O
		Multi-line insurance
		Pharmaceuticals third-party liability
		Personal third-party liability
		US casualty
		Environmental liability
		Financial loss third-party liability
9	Credit and suretyship insurance	Credit insurance
10	Legal expenses insurance	Legal expenses insurance

Valuation approach, gross

Selection of methods, gross

The analyses conducted calculate separate estimates of the ultimate loss for each actuarial analysis segment per occurrence year. Various actuarially recognised projection methods are used to estimate the ultimate loss.

The final decision regarding the expected ultimate loss and the suitability of the methods is made for each segment and occurrence year on the basis of comparing the different methods and taking account of all available information. In addition to the general nature of the segment, the individual loss information and the actual-versus-expected test, this information also includes the number of occurrence years that can be used and their development status. Furthermore, for some short-tail segments the current amount of the case reserves under HGB is explicitly included in the estimation and, in some cases, the large losses and large loss events are analysed separately.

Provisions for unallocated loss adjustment expenses – ULAE

As ULAE cannot be attributed directly to the individual claims, these are not initially included in actuarial analyses. Under IFRS, no actuarial calculations are to be made on lump-sum data.

As ULAE are not included in the data used, the actuarial methods do not initially estimate an IFRS provision for ULAE. A factor approach is used so that ULAE provisions for IFRS can also be presented in the balance sheet.

External factors

Inflation is not explicitly measured but is implicitly included in the development factors for each segment. This time as well, however, an alternative scenario including an inflation surcharge was generated due to the particular situation. The final model ensures that the development factors in the implicit model cover the values of the alternative scenario.

All initial data used is adjusted for exchange rate effects.

IFRS claims provisions for annuities stemming from non-life insurance contracts

The nominal values of the HGB provisions are used to recognise the best estimate. These are valued in accordance with life insurance methods. They are calculated individually and prospectively using the DAV 2006 HUR mortality table. The annuities stemming from occupational disability insurance business are assigned to the Solvency II life insurance segment Annuities stemming from non-life insurance contracts and relating to health insurance obligations. The remaining provisions are listed under annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations.

Detailed observations for each Solvency II business segment

Occupational disability insurance

Uncertainty in this segment is essentially due to changes in jurisdiction, which can affect loss adjustment.

Motor vehicle liability insurance

Uncertainty in the dominant segment is essentially a result of developments in personal injury, which can be considerably influenced by medical advances and associated cost increases.

Other motor insurance

Uncertainty in this segment is essentially due to assessing the processing status for the current occurrence year.

Marine, aviation and transport insurance

The uncertainty in this segment essentially reflects the very heterogeneous portfolio structure across the various occurrence years, changes to the loss adjustment and the volatility of claims incurred but not reported.

Fire and other damage to property insurance

This segment is subject to uncertainty in connection with assessing the current processing status, risks in project business and changes to the loss adjustment.

General liability insurance

Uncertainty in this segment is essentially due to changes in the general jurisdiction, certain specific litigation risks in the USA and the significant share of large late claims.

Legal expenses insurance

Uncertainty in this segment essentially results from losses whose loss date is adjusted at a later date. Given the rather small portfolio, this is an important driver of volatility.

Valuation approach, reinsurance

HDI Global SE has reinsurance regulations specific to the business model, featuring both obligatory and facultative covers. These aim to protect against frequency losses, large losses, accumulation losses and catastrophe losses.

Selection of methods, reinsurance

Following the acquisition of the Gerling Group, HDI Global SE was established in 2007 from the industrial business of the acquired Group and the industrial business of HDI. Historically, both of these two original companies practised a heterogeneous reinsurance strategy. This means that an analysis of reinsurance provisions on the basis of actuarial models can be provided only from the 2007 occurrence year onwards. A proportional approach was usually used for occurrence years before 2007.

Various, actuarially recognised projection methods are applied to estimate the expected ultimate loss.

In reinsurance, a distinction is made between facultative-proportional and non-proportional.

In addition, the third-party liability XL programmes for occurrence years 2008 to 2025 were analysed separately on the basis of actuarial simulation methods.

The same statements as those made for the gross valuation apply regarding external factors and the suitability of methods.

HGB provisions determined by reinsurance accounting are used as ceded IFRS claims provisions for annuities stemming from non-life insurance contracts.

D.3 Other liabilities

Other technical provisions

EUR thousand	Solvency II value	HGB value
Other technical provisions	-	1,030,965

Other technical provisions under HGB comprise the equalisation reserve and similar provisions. Solvency II does not include an equalisation reserve.

Contingent liabilities

EUR thousand	Solvency II value	HGB value
Contingent liabilities	-	-

No liability is assigned to this item at HDI Global SE.

Provisions other than technical provisions

EUR thousand	Solvency II value	HGB value
Provisions other than technical provisions	117,344	124,682

This includes the following items:

- Remuneration still to be paid
- Outstanding commission
- Costs of preparing the annual financial statements
- Provisions for partial retirement
- Miscellaneous other provisions

The amount recognised as a provision under HGB represents the best estimate, taking into account the principles of prudent business judgement, of the expenditure required to settle the present obligation at the end of the reporting period. If the expected term of the provisions is more than one year, these are discounted using the average interest rate as published by the German Bundesbank for the last seven years.

The recognition criteria for the regulations under HGB are used for the solvency balance sheet.

The difference in valuation of EUR -7,338 thousand is essentially due to different discount rates and terms.

Pension benefit obligations

EUR thousand	Solvency II value	HGB value
Pension benefit obligations	481,487	471,612

Provisions for pension commitments granted by the undertaking to its employees are disclosed under “Pension benefit obligations”. Pension benefit obligations are valued in the solvency balance sheet in line with the projected unit credit method set out in IAS 19 “Employee benefits”. The item pension benefit obligations also includes liabilities resulting from pension acquisition agreements with other HDI Group undertakings. Receivables from these agreements are recognised under Any other assets, not elsewhere shown.

In accordance with provisions of the German Accounting Law Modernisation Act (Bilanzrechtsmodernisierungsgesetz – BilMoG), pension provisions as per HGB are measured at their settlement amount, taking into account changes in salaries, pensions and fluctuation, and discounted at the reporting date.

A difference of EUR 9,875 thousand between the Solvency II value and the HGB value arises from the different valuation approaches and from the gross recognition of debt assumption obligations.

Deposits from reinsurers

EUR thousand	Solvency II value	HGB value
Deposits from reinsurers	233,224	233,224

This item includes reinsurance payables. Deposits from reinsurers retained on assumed direct insurance business are recognised at the settlement amount in accordance with HGB. The HGB value is transferred to the solvency balance sheet.

Deferred tax liabilities

EUR thousand	Solvency II value	HGB value
Deferred tax liabilities	85,827	-

HGB valuation:

As HDI Global SE is a tax group subsidiary of Talanx AG, deferred taxes on differences in valuation of the German head office are recognised at the level of the tax group parent, meaning that, at company level, only differences between commercial and local tax valuation approaches of the foreign branches need to be taken into account. When calculating deferred taxes, expected future tax burdens were netted against tax benefits for each permanent establishment. Deferred tax liabilities from temporary differences (in particular from the commercial and tax-related valuation approaches for provisions for claims outstanding) were set off against deferred tax assets from temporary differences (in particular from the equalisation reserve) and against deferred tax assets on tax loss carryforwards for all foreign branches, in each case separately for each country. Deferred taxes were valued using the local tax rate.

The net asset position resulting from the offsetting was not recognised due to the existing option to capitalise.

Solvency II valuation:

As with HGB, under Solvency II deferred taxes on differences in valuation of the German parent company are recognised at the level of the tax group parent, meaning that, at company level, only differences between the Solvency II values and local tax valuation approaches of the foreign branches need to be taken into account.

Deferred tax assets are recognised if the asset values are lower or the liabilities higher in the solvency balance sheet than in the tax balance sheet and these temporary differences will reduce the future amount of tax charged. Deferred tax liabilities are recognised if the asset values are higher or the liabilities lower in the solvency balance sheet than in the tax balance sheet and these temporary differences will increase the future amount of tax charged. Deferred tax assets are also recognised on tax loss carryforwards.

After this, deferred tax assets can and should be offset against deferred tax liabilities (as for IAS 12) if a legal right to offset actual claims for tax refunds against actual tax liabilities exists and the deferred tax assets and the taxes are levied by the same tax authority. For this purpose, deferred tax liabilities from temporary differences were set off against deferred tax assets from temporary differences and against deferred tax assets on tax loss carryforwards for all foreign branches, in each case separately for each country. Deferred taxes were valued using the local tax rate. If the tax rates used for the calculation change, this is taken into account in the year in which the change to the tax rate is adopted. Deferred tax assets that have been recognised were assessed for recoverability. The assessment of recoverability is based on earnings planning, which is also used for enterprise management. Accordingly, non-recoverable deferred tax assets, most of which can be carried forward indefinitely (except Switzerland, seven years, and Japan, ten years), are written down. The deferred tax liabilities of EUR 85,827 thousand essentially originate from the difference in valuation of the technical provisions. Other than the temporary differences already explained in the description of the procedure for the assessment of recoverability, no circumstances are currently known that would affect the maturity of the taxable temporary differences.

Difference in valuation:

The difference in comparison to HGB is chiefly due to the Solvency II-specific valuation of the technical provisions.

Derivatives

EUR thousand	Solvency II value	HGB value
Derivatives	7,210	-

This item includes only values of derivatives that reduce the value of the investment portfolio. Only negative values are reported here. Positive values can be found in the corresponding assets items. Measurement principles are explained in chapter D.1 Derivatives.

Debts owed to credit institutions

EUR thousand	Solvency II value	HGB value
Debts owed to credit institutions	-	-

No liability is assigned to this item at HDI Global SE.

Financial liabilities other than debts owed to credit institutions

EUR thousand	Solvency II value	HGB value
Financial liabilities other than debts owed to credit institutions	26,738	290

As under the IFRS standard, under Solvency II this item also takes into account liabilities from leasing transactions that are not recognised under HGB.

Insurance & intermediaries payables

EUR thousand	Solvency II value	HGB value
Insurance & intermediaries payables	547,195	431,940

The item includes liabilities to policyholders and insurance intermediaries (e.g. commission to intermediaries that have not yet been paid by the undertaking) and liabilities to reinsurance undertakings from assumed business (inwards reinsurance).

Liabilities are generally measured up to their full nominal amount in accordance with HGB. The HGB value includes liabilities from these items that are both past due and current. The difference between the Solvency II value and the HGB value of EUR 115,255 thousand is mainly due to the different method of calculating the netting of receivables.

Reinsurance payables

EUR thousand	Solvency II value	HGB value
Reinsurance payables	512,130	435,280

These include reinsurance payables not held in deposits but that are associated with the reinsurance business.

In accordance with HGB, reinsurance liabilities are recognised at their nominal amounts. The HGB value includes liabilities from these items that are both past due and current.

The EUR 76,850 thousand difference between the Solvency II value and the HGB value is essentially due to the different method of calculating the netting of receivables with liabilities.

Payables (trade, not insurance)

EUR thousand	Solvency II value	HGB value
Payables (trade, not insurance)	1,315,962	1,317,302

This item is parallel to the receivables on the assets side and includes both liabilities to non-Group undertakings or government agencies and liabilities to related undertakings.

Liabilities are generally measured at their full nominal amount in accordance with HGB. The market value is the same as the residual carrying amount. Otherwise, a revaluation is necessary in order to measure at fair value in accordance with Solvency II. The HGB value is transferred to the solvency balance sheet.

There is a minor difference regarding a difference in treating taxes.

Subordinated liabilities

EUR thousand	Solvency II value	HGB value
Subordinated liabilities not in BOF	-	-
Subordinated liabilities in BOF	331,918	381,623

This are subordinated loans recognised at HDI Global SE as part of basic own funds.

In accordance with HGB, subordinated liabilities carried at nominal value and interest liabilities from hybrid capital are recognised here. Liabilities are generally measured up to their full nominal amount in accordance with HGB.

For the solvency balance sheet, the fair value determined for HDI Global SE's subordinated loans at the time of issue is adjusted to take account of changes resulting from changes in the market. Changes in value resulting from changes to an entity's own credit spread are not adjusted after issuance. Under Solvency II, interest liabilities are included in the hybrid capital measured at fair value.

The EUR -49,704 thousand difference between the Solvency II value and the HGB value is due to the different valuation approaches for the subordinated loans.

Any other liabilities, not elsewhere shown

EUR thousand	Solvency II value	HGB value
Any other liabilities, not elsewhere shown	111,780	111,373

This item comprises all liabilities that are not included in other balance sheet items, e.g.:

- Liabilities from advance payments received
- Cheque liabilities from premium balances
- Trade liabilities
- Other liabilities from unassigned payments
- Liabilities from temporary differences

The fair value and the residual carrying amount are usually identical. If not, the HGB value must be revalued in order to obtain the fair value for the solvency balance sheet.

The valuation difference arises from the different treatment of liabilities arising from capital investments.

D.4 Alternative methods for valuation

The alternative valuation methods that can be used for certain solvency balance sheet items in accordance with Article 263 in conjunction with Article 10(5) of the Delegated Regulation have already been described in chapters D.1 to D.3.

D.5 Any other information

All material and relevant information on valuations of solvency items of the balance sheet that is required to be reported is already contained in the other sections of chapter D. In addition, information on off-balance-sheet other financial obligations can be found in the notes to the HGB annual report as at 31 December 2025 under Other disclosures.

E Capital management

E.1 Own funds

Underlying objectives; policies and procedures for own funds

As a wholly owned subsidiary, HDI Global SE is linked to Talanx AG by way of a control and profit/loss transfer agreement. HDI Global SE's management of own funds is thus directly and significantly integrated into the HDI Group's system of managing finances and own funds.

HDI Global SE's capital adequacy is monitored both in connection with current events from the internal model and as part of business planning over a five-year period (medium-term planning). Medium-term planning is based on the HDI Group's planning assumptions, which feature macroeconomic estimates for the development of gross domestic product, inflation and interest rates.

If the business planning indicates capital requirements, potential financial measures are agreed taking into account and using the resources and expertise of Talanx AG. Measures such as, for example, a targeted capital injection (e.g. in the form of equity or debt to replace equity) are then initiated by Talanx AG.

The overarching goal is to ensure HDI Global SE is suitably capitalised. Compliance with internal company limits is an essential part of this. The expectations of rating agencies, business aspects and the optimisation of total capital costs must also be taken into account.

The Model Change TX 199, which was planned or proposed at the time the plan was drawn up for the 2025 year-end run, has already been incorporated into the medium-term planning projection and taken into account accordingly in terms of risk.

Structure, amount and quality of own funds

Own funds are divided into three tiers. Own-funds items are categorised depending on the extent to which they are available to absorb losses. Furthermore, a distinction is drawn between basic own-funds items and ancillary own-funds items.

Basic own-funds items are assigned to tier 1 if they are available or recoverable on demand to absorb losses in full under the going concern assumption and in the event of liquidation (constant availability). In the event of liquidation, tier 1 own-funds items are available to meet liabilities to beneficiaries under (re)insurance contracts. The owners of the own-funds items are subordinated.

Basic own funds-items are classified as tier 2 if they are subordinate but not constantly available. Ancillary own-funds items that are largely constantly available and subordinate can be assigned to tier 2. All other basic own-funds items are classified as tier 3.

As at 31 December 2025, HDI Global SE had basic own funds of EUR 4,746,608 thousand. HDI Global SE does not have any ancillary own funds.

	2025					2024				
EUR thousand	**Total**	**Tier 1 – unrestricted**	**Tier 1 – restricted**	**Tier 2**	**Tier 3**	**Total**	**Tier 1 – unrestricted**	**Tier 1 – restricted**	**Tier 2**	**Tier 3**
Ordinary share capital (gross of own shares)	125,000	125,000	-	-	-	125,000	125,000	-	-	-
Capital reserves	284,043	284,043	-	-	-	284,043	284,043	-	-	-
Reconciliation reserve	4,005,646	4,005,646	-	-	-	3,561,134	3,561,134	-	-	-
Subordinated liabilities	331,918	-	-	331,918	-	329,874	-	-	329,874	-
Net deferred tax assets	-	-	-	-	-	10,103	-	-	-	10,103
Total available basic own funds	4,746,608	4,414,690	-	331,918	-	4,310,154	3,970,177	-	329,874	10,103

The tier 1 own-funds items (unrestricted) listed above are of the highest quality as they are available at all times. They comprise ordinary share capital, capital reserves and reconciliation reserves.

Ordinary share capital is equal to the fully paid up share capital in the HGB balance sheet. It is divided into 125,000 registered equities at EUR 1 thousand each and categorised accordingly as tier 1. In accordance with current Solvency II regulations, the capital reserves in the HGB balance sheet are also accounted for as tier 1.

There is a control and profit/loss transfer agreement in place with Talanx AG. In the 2025 financial year, this resulted in a profit transfer to the parent company, which is accounted for as a liability.

The reconciliation reserve under Solvency II represents a component of basic own funds to be assigned to the tier 1 category (unrestricted). It comprises the excess of assets over liabilities less ordinary share capital and capital reserves. The reconciliation reserve, amounting to EUR 4,005,646 thousand, comprises the valuation difference between the Solvency II figure of the excess of assets over liabilities (Shareholders' Net Assets – SNA) and the equity value reported in the annual financial statements. The differences due to the different valuation principles between the items in the HGB annual financial statements and the items in the balance sheet drawn up in accordance with Solvency II provisions can be divided into the following items:

EUR thousand	**2025**	**2024**	**Delta**
Revaluation of investments	1,718,334	1,501,846	216,488
Revaluation of technical provisions	2,296,655	2,047,820	248,835
Other revaluations	-9,343	21,571	30,914
Total valuation differences	4,005,646	3,571,237	434,409

The change in the revaluation of capital investment totalling EUR 216,488 thousand is attributable to the revaluation of holdings in related undertakings and participations, amounting to EUR 159,167 thousand, bonds amounting to EUR 45,059 thousand, investment funds amounting to EUR 15,600 thousand, real estate amounting to EUR -3,428 thousand and other investments amounting to EUR 90 thousand due to the changed market situation.

The changes in the difference between technical provisions in accordance with HGB and Solvency II come to a total of EUR 248,835 thousand, relate to the actual technical provisions and are explained in chapter D.2 in the section Prior year comparison.

The change in revaluations of other items amounting to EUR -30,914 thousand is a result of multiple, occasionally offsetting effects. These effects mainly result from the revaluation of subordinated loans by EUR -2,044 thousand and from deferred taxes totalling EUR -29,755 thousand.

As described at the beginning, HDI Global SE has several subordinated liabilities that meet the criteria for tier 2 and are recognised as a component of basic own funds. Lenders are intragroup undertakings.

The first subordinated loan, with a nominal value of EUR 200,000 thousand (issue date: 12 August 2021), is classified as a tier 2 basic own-funds items under Solvency II. It now matures on 12 August 2041 and cannot be terminated until 12 August 2031. The loans set out a fixed-interest period until 12 August 2031 with a coupon of 1.7%. This is followed by a variable interest rate variable at the three-month EURIBOR plus 2.8% p.a.

The second subordinated loan with a nominal value of EUR 180,000 thousand (issue date: 2 December 2021) is also classified as a tier 2 basic own-funds items under Solvency II. It now matures on 2 December 2041 and cannot be terminated until 2 December 2031. The loan sets out a fixed-interest period until 2 December 2031 with a coupon of 2.3%. This is followed by a variable interest rate variable at the three-month EURIBOR plus 3.1% p.a.

No items are deducted from own funds at HDI Global SE.

Available and eligible own funds to cover HDI Global SE's solvency and Minimum Capital Requirement as at 31 December 2025 are shown below:

EUR thousand	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Total available own funds to meet the SCR	4,746,608	4,414,690	-	331,918	-
Total available own funds to meet the MCR	4,746,608	4,414,690	-	331,918	-
Total eligible own funds to meet the SCR	4,746,608	4,414,690	-	331,918	-
Total eligible own funds to meet the MCR	4,617,317	4,414,690	-	202,627	-
SCR	2,396,717	-	-	-	-
MCR	1,013,137	-	-	-	-
Ratio of eligible own funds to SCR	198.0 %	-	-	-	-
Ratio of eligible own funds to MCR	455.7 %	-	-	-	-

Eligible own funds arise as a result of applying the quantitative tier upper limits to available own funds. As at 31 December 2025, this had a minor effect on the amount or structure of eligible own funds. All basic own funds were available to meet the SCR. Most basic own funds were also available to comply with the Minimum Capital Requirement (MCR). Only EUR 202,627 thousand of the subordinated loans are taken into account as no more than 20.0% of the MCR may be counted as tier 2 basic own funds in accordance with applicable SII regulations.

Reconciliation of HGB equity to own funds in accordance with Solvency II

The starting point for the reconciliation is HDI Global SE's HGB equity. Revaluation effects between the HGB balance sheet and the economic (solvency) balance sheet produce the Excess of assets over liabilities item. Under Solvency II, goodwill and intangible assets are to be recognised only under certain conditions. The total difference between the basic own funds and the equity in the annual financial statements was EUR 4,005,646 thousand (total of valuation differences between HGB values and values pursuant to the solvency balance sheet). This reflects the different valuation principles between the items in the annual financial statements under commercial law (HGB) and the items in the balance sheet drawn up in accordance with Solvency provisions. Details on this are provided in chapter D.

In addition to the excess of assets over liabilities, the basic own funds include subordinated liabilities of EUR 331,918 thousand.

No other potential limitations or deductions or ancillary own funds were recognised for HDI Global SE at the end of 2025.

EUR thousand	2025
HGB equity	409,043
Goodwill and intangible assets	-736
Revaluation effects	4,026,034
Surplus funds	-
Excess of assets over liabilities (before tax)	4,434,341
Subordinated liabilities	331,918
Net deferred tax assets/liabilities	-19,651
Own shares	-
Foreseeable dividends, distributions and charges	-
Basic own funds	4,746,608
Transitional measures	-
Basic own funds	4,746,608
Non-available own-funds items	-
Other	-
Ancillary own funds	-
Own funds of other financial sectors	-
Available own funds	4,746,608
Tiering restrictions	-
Eligible own funds	4,746,608

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Solvency Capital Requirement

The following table gives an overview of HDI Global SE's eligible own funds, the Solvency Capital Requirement and the capital adequacy ratio:

EUR thousand	2025 SCR	2024 SCR	Delta
Total eligible own funds	4,746,608	4,310,154	436,454
SCR	2,396,717	2,222,022	174,695
CAR	198.0 %	194.0 %	4.0 %

The SCR for HDI Global SE is calculated using the internal model. The ratio shows adequate cover for HDI Global SE. The final Solvency Capital Requirement is still subject to review by supervisory authorities. HDI Global SE does not use undertaking-specific parameters, nor have supervisory authorities set a capital add-on. HDI Global SE reports its Solvency Capital Requirement in the solo perspective before tax. The loss-absorbing capacity of deferred taxes is not taken into account in the Solvency Capital Requirement. Both the SCR and the eligible own funds have increased compared to the prior year, in some cases significantly. The increase in own funds is due, among other things, to the strong growth in business volume and the growth of the subsidiaries of HDI Global SE. This is true for the rise in risk as well. The fact that the increase in risk is lower than the increase in own funds is due to an improved risk structure of the underwritten business through ongoing adjustments in risk selection and a good diversification of risk between the companies. The SCR for HDI Global SE comprises the following risks:

EUR thousand	2025 SCR	2024 SCR	Delta
SCR	2,396,717	2,222,022	174,695
Underwriting risk	935,104	908,569	26,535
Market risk	2,031,511	1,876,650	154,861
Reinsurance default risk	252,816	236,813	16,003
Operational risk	227,720	225,363	2,357
Diversification	30.5 %	31.6 %	-1.1 %

More detailed information on the individual risk categories can be found in chapter C.

Minimum Capital Requirement

The Minimum Capital Requirement is calculated as a linear function, taking into account the net technical solvency provisions used in accordance with regulatory requirements and the net premiums written. It amounts to a maximum of 45.0% and a minimum of 25.0% of the Solvency Capital Requirement in accordance with the Solvency II standard formula. For HDI Global SE, the Minimum Capital Requirement is currently calculated using the linear function. The change is therefore attributable to a change in the corresponding volumes.

The table shows that the Minimum Capital Requirement for HDI Global SE is adequately met by own funds.

EUR thousand	2025 MCR	2024 MCR	Delta
Eligible own funds to meet the MCR	4,617,271	4,164,570	452,701
MCR	1,013,137	971,962	41,175
Ratio of eligible own funds to MCR	455.7 %	428.5 %	27.2 %

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

HDI Global SE does not apply the duration-based equity risk sub-module in accordance with Article 304 of Commission Delegated Regulation (EU) 2015/35 (DVO) in the calculation of its Solvency Capital Requirement.

E.4 Differences between the standard formula and any internal model used

HDI Global SE uses an internal model to calculate the regulatory Solvency Capital Requirement. HDI Global SE's internal model covers the participation risk for all subsidiaries.

The internal model has numerous applications within HDI Global SE in addition to being used to calculate the Solvency Capital Requirement. These cover both economic (i.e. management) aspects and the supervisory law requirements for the use test. Core applications include strategic programme planning, performance management and the limit and threshold system.

HDI Global SE is included in the HDI Group's internal model process and the mechanisms and processes in connection with the internal model are incorporated into the standards of the HDI Group, with existing bodies at Group level ensuring that HDI Global SE is involved in decision-making related to the internal model. Intragroup guidelines relating to the internal model have been adopted to establish roles and responsibilities.

Risk measurement in HDI Global SE's internal model

The concept behind HDI Global SE's internal model is based on determining the economic own funds on a fair value basis as at the reference date, forecasting changes in these own funds over the one-year horizon applicable under Solvency II.

The starting point for this approach is a solvency balance sheet prepared as at the valuation date. Once this economic balance sheet has been prepared, the stochastic distribution of the economic solvency balance sheet has to be projected for a one-year horizon. For this, Monte Carlo simulation procedures with a suitable number of simulations are used.

Then, using the forecast distribution for the own funds over the one-year horizon, the Solvency Capital Requirement is calculated as the difference between the expected value and the value at risk at the confidence level of 99.5% of the forecast distribution required by supervisory law. In conceptual terms, this means that there is a 99.5% probability of a potential loss of own funds (measured in terms of the expected value) being met by the Solvency Capital Requirement. The expected value and the quantile are estimated on the basis of the forecast distribution values simulated using the Monte Carlo method. The capital adequacy ratio is derived from the ratio of own funds as at the valuation date and the Solvency Capital Requirement according to the forecast distribution for the internal model.

The bases for modelling used in the internal model at HDI Global SE are outlined below.

Material assumptions

The most important assumption for HDI Global SE's internal model is that the key risks relate to negative changes in the capital market, the occurrence of natural catastrophes and large losses and the risk of a simultaneous chance default by the reinsurers. Based on this assumption, the scenarios used in the risk models for joint events – i.e. natural catastrophes, reinsurer default and the related economic issues – are standardised and processed on a line and Group-wide basis. In particular, this requirement includes fundamental assumptions about dependencies that are critical for diversification within HDI Global SE's internal model:

- Analyses do not indicate any significant, sustained impacts of nat cat events on economic developments. To this extent, it is assumed that the natural catastrophe scenarios and the economic scenarios for capital market developments are independent of one another.
- The reinsurance default scenarios are included under the premise that defaults or rating downgrades of reinsurers are induced by negative capital market developments and/or high losses due to nat cat events.

Assumptions are also significant for the economic scenarios. Examples include the use of the initial interest rate term structure published by EIOPA, which in particular extrapolates the interest rate term structure for long-term interest rates to an ultimate forward rate, as well as of a volatility adjustment in accordance with Section 82 of the VAG. These two aspects – the initial interest rate term structure and the volatility adjustment – affect both the own funds and the Solvency Capital Requirement in HDI Global SE's internal model, and to this extent influence the capital adequacy ratio.

Data used

The internal model and its calibration are based on a large number of internal data items (such as loss expenses for the underlying portfolios) and external data (such as rating information for investments and reinsurance counterparties, or time series for capital market data). The adequacy of such data is tested using internal checks and in the course of the validation process.

Risks

In HDI Global SE's internal model, the economic balance sheet is updated using standardised, Group-wide "real-world" scenarios for the economy, natural catastrophes and reinsurance defaults, plus individual modelling of the underwriting risk (premium and reserve risk) over a one-year horizon. The modelling takes place in modular fashion at the level of the risk categories, and in the field of underwriting initially from the gross point of view relating to business lines and/or more granular, homogeneous analysis segments.

Premium risk relates to deviations in the loss expenses actually incurred during complete loss adjustment as against the estimates made when calculating the premium. Nat cat events are treated separately during modelling due to their nature and to the Group-wide standard scenarios. Premium risk, excluding natural catastrophes, is initially modelled from the gross point of view using relevant actuarial procedures – such as the collective risk theory model – based on the company's business lines.

Reserve risk describes the danger of inadequate provisions for claims outstanding having been calculated in prior years. Run-off triangles for claims amounts are used as the starting point for modelling reserve risk. Changes in claims amounts per occurrence year are projected over the one-year horizon on a stochastic basis in order to calculate the one-year reserve risk. This results in simulated run-off triangles that have been extended to include a diagonal that are used for loss adjustment. Gross reserves are derived from the resulting simulated triangles and the gross reserve risk can then be calculated from their distribution.

The premium risk (excluding natural catastrophes and the reserve risk) and the premium and reserve risk in a company's internal model are calculated for the gross point of view by generating a dependency structure at the level of the business lines. This starts with the forecast distributions for the business lines' premium risk and reserve risk. Applying the reinsurance structure that is represented in the model then leads downstream to the forecast distribution for the premium and reserve risk from a net perspective.

The nat cat risk is predominantly modelled using externally licensed models. These nat cat models generally consist of three components – natural catastrophes, vulnerability and financial module/contract structure – and result in simulated event losses that are then processed further in HDI Global SE's internal model. This approach revolves around the global event set, which contains the majority of the hazard regions to which HDI Global SE is exposed. Model regions for which no licensed or otherwise available models are used are taken into account using in-house developments and by making approximations.

Market risk involves, on the one hand, fluctuations in the value of investments on the asset side while, on the other hand, effects on the underwriting risk arise on the liabilities side (discounting of reserves, valuation at exchange rates) due to changes on the capital markets as a result of economic accounting. On the asset side, modelling is performed by grouping the investment portfolio into largely homogeneous model points. The fair values of the model points for standardised investments are updated by mapping them to indices from the economic scenario generator and/or from derived portfolio-specific fixed-income indices over the one-year horizon.

The calculation of the counterparty default risk in relation to reinsurance counterparties is based on scenarios from the reinsurance default model. This provides Group-wide standardised percentage discounts per reinsurance counterparty (depending on the rating simulated over a one-year horizon), which are applied to the portfolio-specific ceded liabilities. This process takes into account not only losses induced directly by defaults, but also a safety margin for rating deteriorations that may lead to losses.

Operational risks are the risks of losses arising from the unsuitability or failure of internal processes, employees or systems or due to external events. They encompass legal and compliance risks. Strategic and reputational risks, by contrast, are not covered under this risk category. Operational risks are modelled based on the findings of expert workshops held semi-annually.

Aggregation of risk categories

As HDI Global SE's internal model is based on a simulation approach, the forecast distribution for internally modelled risks is determined by adding together the individual risks' simulated values for each of the simulations implemented. This results in a diversification effect between the risk categories.

Main differences between the methods and assumptions used in the standard formula and in the internal model

In line with the regulatory requirements, calibration of both the internal model and the standard formula aims to determine the level of any negative deviation in own funds from their expected value in a 200-year event (value at risk with a confidence level of 99.5%). However, there are significant differences between the standard formula and the internal model concerning the methods and assumptions used when calculating the Solvency Capital Requirement. These differences influence – in some cases, substantially – the results of the Solvency Capital Requirement and also lead to downstream differences in the own funds and the capital adequacy ratio between the two models. In the case of own funds, the deviations result from the risk margin, which is the present value of the Solvency Capital Requirement in question that is needed to cover the insurance and reinsurance obligations over the projected period of time, multiplied by a cost-of-capital rate.

In terms of its methodology, the standard formula follows a modular approach. First, the entire risk is subdivided at the highest level into the risk modules

- Underwriting risk
- Market risk
- Counterparty default risk

of the basic Solvency Capital Requirement and operational risk and then split up further into sub-modules. For instance, the market risk module consists of the interest rate risk, equity risk, property risk, spread risk, market risk concentrations and currency risk sub-modules. A capital requirement is determined for each sub-module based on formula-based factor approaches with predefined stress levels.

The standard formula and undertaking-specific modelling lead to differing risk assessments at the level of the sub-modules, which in some cases can be considerable. Firstly, the main reason for this is the undertaking-specific calibration of the internal model, which is based on the undertaking's specific risk profile; however, the standard formula can only take this profile into account to a limited extent due to its universality. Secondly, discrepancies arise due to different allocations to sub-modules or even to different treatment of the matters involved. For instance, European government bonds are not subject to credit risk in the standard formula, whereas in the internal model they have to be assigned a risk for supervisory law reasons.

Differences in the calculation of the Solvency Capital Requirement at the sub-module level affect the following aspects, among others:

- In market risk, there are differences in the measurement of concentration and correlation risk as, in contrast to the methodology used in the standard formula, the internal model includes not just the impact of issuer concentration but also effects relating to the correlation of economic and geographic factors.
- In the standard formula, interest rate risk arises exclusively from changes in the level of the risk-free interest rate term structure, whereas changes in interest rate volatility are not explicitly taken into account. In the internal model, on the other hand, the level of interest rates and interest rate volatility are correlated.
- In the standard formula, property risk is calibrated on the basis of data records for Great Britain. This leads to different stress levels compared to the internal model.
- There is also a systematic difference when applying the dynamic volatility adjustment in the internal model.
- The standard formula quantifies operational risk using factors that must be applied to the premium and reserve volume, and does not permit a differentiated analysis using sub-categories for operational risk. In particular, the standard formula also does not permit any diversification between operational risk and other risk categories or within operational risk, for example between individual companies.

In contrast to the standard formula, dependencies – and hence also diversification effects – arise between risk categories in the internal model; this is due in part to dependencies modelled between risk factors (e.g. in the economic scenario generator) via non-linear modelled dependencies (e.g. between the premium risk in a company's business lines) or explicit assumptions of independence (e.g. between market and nat cat risks).

To this extent, the Solvency Capital Requirements produced using the standard formula methodology and the internal model differ in terms of their dependency modelling and the diversification effects induced by it, in addition to the different allocations to risk modules and the different calculation methodology for risk modules used.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

As at 31 December 2025, HDI Global SE had a CAR of 198.0% and was thus well capitalised.

At present, there are no signs of any pending undercapitalisation. In addition, an established limit and threshold system is used to ensure the Group's risk-bearing capacity at all times; this is expressed as a capital requirement in excess of the statutory requirements (risk appetite).

E.6 Any other information

All material and relevant information to be reported about capital management is included in the previous sections of chapter E of the Solvency and Financial Condition Report.

F Annex

The annex lists all templates that must be published in the Solvency and Financial Condition Report in accordance with Commission Implementing Regulation (EU) 2023/895 of 4 April 2023. These templates include:

- Balance sheet (S.02.01.02)
- Premiums, claims and expenses by country (S.04.05.21)
- Premiums, claims and expenses by line of business (S.05.01.02)
- Life and health SLT technical provisions (S.12.01.02)
- Technical provisions – non-life (S.17.01.02)
- Non-life insurance claims information (S.19.01.21)
- Impact of long term guarantees and transitional measures (S.22.01.21)
- Own funds (S.23.01.01)
- Solvency Capital Requirement – for undertakings on standard formula (S.25.01.21)
- Solvency Capital Requirement – for undertakings using an internal model (partial or full) (S.25.05.21)
- Minimum Capital Requirement – only life or only non-life insurance or reinsurance activity (S.28.01.01)
- Minimum Capital Requirement – both life and non-life insurance activity (S.28.02.01)

The diversification effect between the main risk categories in chapter C and E differs from the effect reported in QRT S.25.05 on account of the consideration of the “Other risk” category. These are risks that cannot be clearly allocated to the main risk categories but contain risks from these categories. To avoid misallocation, this category is therefore not separated in regular reporting.

Balance Sheet (S.02.01.02)

		Solvency II value
Assets		C0010
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	66.175
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	34.408
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	12.251.760
Property (other than for own use)	R0080	215.240
Holdings in related undertakings, including participations	R0090	4.454.160
Equities	R0100	8.535
Equities - listed	R0110	-
Equities - unlisted	R0120	8.535
Bonds	R0130	5.279.978
Government Bonds	R0140	1.204.738
Corporate Bonds	R0150	3.774.430
Structured notes	R0160	-
Collateralised securities	R0170	300.810
Collective Investments Undertakings	R0180	2.252.935
Derivatives	R0190	6.419
Deposits other than cash equivalents	R0200	34.492
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	241.047
Loans on policies	R0240	260
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	240.787
Reinsurance recoverables from:	R0270	6.510.371
Non-life and health similar to non-life	R0280	6.509.495
Non-life excluding health	R0290	6.503.774
Health similar to non-life	R0300	5.721
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	876
Health similar to life	R0320	-
Life excluding health and index-linked and unit-linked	R0330	876
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	16.442
Insurance and intermediaries receivables	R0360	1.513.181
Reinsurance receivables	R0370	168.261
Receivables (trade, not insurance)	R0380	1.111.774
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	514.183
Any other assets, not elsewhere shown	R0420	55.093
Total assets	**R0500**	**22.482.696**

Liabilities		
Technical provisions - non-life	R0510	14.266.610
Technical provisions - non-life (excluding health)	R0520	14.024.229
Technical provisions calculated as a whole	R0530	-
Best Estimate	R0540	13.735.495
Risk margin	R0550	288.734
Technical provisions - health (similar to non-life)	R0560	242.381
Technical provisions calculated as a whole	R0570	-
Best Estimate	R0580	233.295
Risk margin	R0590	9.086
Technical provisions - life (excluding index-linked and unit-linked)	R0600	30.581
Technical provisions - health (similar to life)	R0610	267
Technical provisions calculated as a whole	R0620	-
Best Estimate	R0630	267
Risk margin	R0640	-
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	30.315
Technical provisions calculated as a whole	R0660	-
Best Estimate	R0670	30.315
Risk margin	R0680	-
Technical provisions - index-linked and unit-linked	R0690	-
Technical provisions calculated as a whole	R0700	-
Best Estimate	R0710	-
Risk margin	R0720	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	117.344
Pension benefit obligations	R0760	481.487
Deposits from reinsurers	R0770	233.224
Deferred tax liabilities	R0780	85.827
Derivatives	R0790	7.210
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	26.738
Insurance & intermediaries payables	R0820	547.195
Reinsurance payables	R0830	512.130
Payables (trade, not insurance)	R0840	1.315.962
Subordinated liabilities	R0850	331.918
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	331.918
Any other liabilities, not elsewhere shown	R0880	111.780
Total liabilities	**R0900**	**18.068.007**
Excess of assets over liabilities	**R1000**	**4.414.690**

Premiums, claims and expenses by country (S.04.05.21)

Home country: Non-life insurance and reinsurance obligations

		Home country	Top 5 countries: non-life				
		C0010	C0020	C0020	C0020	C0020	C0020
	R0010	Germany (DE)	United Kingdom (UK)	France (FR)	Australia (AU)	Netherlands (NL)	United States of America (US)
Premiums written (gross)							
Gross Written Premium (direct)	R0020	1.693.663	342.375	490.925	357.153	326.384	173.324
Gross Written Premium (proportional reinsurance)	R0021	1.601.237	194.095	35.777	15.740	641	107.581
Gross Written Premium (non-proportional reinsurance)	R0022	0	0	0	0	0	0
Premiums earned (gross)							
Gross Earned Premium (direct)	R0030	1.718.525	362.828	488.425	347.000	324.820	159.529
Gross Earned Premium (proportional reinsurance)	R0031	1.683.570	193.159	35.753	16.346	459	99.969
Gross Earned Premium (non-proportional reinsurance)	R0032	0	0	0	0	0	0
Claims incurred (gross)							
Claims incurred (direct)	R0040	1.059.276	351.153	276.435	149.914	117.054	0
Claims incurred (proportional reinsurance)	R0041	1.119.981	5.544	2.549	16.027	-1.019	56.601
Claims incurred (non-proportional reinsurance)	R0042	0	0	0	0	0	0
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	R0050	505.481	57.839	103.233	58.271	69.752	-294
Gross Expenses Incurred (proportional reinsurance)	R0051	369.191	29.761	17.931	5.514	2.774	14.481
Gross Expenses Incurred (non-proportional reinsurance)	R0052	0	0	0	0	0	0

Home country: Life insurance and reinsurance obligations

		Home country
		C0030
	R0010	Germany (DE)
Gross Written Premium	R1020	-
Gross Earned Premium	R1030	-
Claims incurred	R1040	127
Gross Expenses Incurred	R1050	-

Premiums, claims and expenses by line of business (S.05.01.02)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Gross - Direct Business	R0110	0	84.799	0	366.362	218.098	543.980	1.897.236	1.605.851	0
Gross - Proportional reinsurance accepted	R0120	0	4.186	0	82.742	44.595	232.737	1.466.621	557.511	0
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140	0	5.569	0	49.491	213.487	698.628	2.287.609	1.146.982	0
Net	R0200	-	83.415	-	399.613	49.206	78.089	1.076.249	1.016.379	-
Premiums earned										
Gross - Direct Business	R0210	0	85.383	0	373.401	220.675	533.942	1.869.230	1.629.374	0
Gross - Proportional reinsurance accepted	R0220	0	3.870	0	77.274	40.541	225.511	1.482.200	597.551	0
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	-	5.471	0	67.463	213.305	682.617	2.309.572	1.204.145	0
Net	R0300	-	83.782	-	383.212	47.911	76.836	1.041.857	1.022.780	-
Claims incurred										
Gross - Direct Business	R0310	0	42.919	0	247.241	156.535	256.185	752.938	956.760	-25
Gross - Proportional reinsurance accepted	R0320	0	1.617	0	28.057	25.420	147.406	783.615	375.535	1
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	0	-1.612	0	20.862	170.152	394.088	1.058.372	576.574	1
Net	R0400	-	46.148	-	254.437	11.803	9.504	478.182	755.721	-25
Expenses incurred	R0550	-	44.027	-	162.115	53.157	144.126	613.932	648.842	50
Balance - other technical expenses/income	R1200									
Total technical expenses	R1300									

Premiums, claims and expenses by line of business (S.05.01.02)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of Business for: accepted non-proportional reinsurance				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	R0110	23.579	0	0					4.739.904
Gross - Proportional reinsurance accepted	R0120	229	0	0					2.388.620
Gross - Non-proportional reinsurance accepted	R0130				-	-	-	-	0
Reinsurers' share	R0140	23.479	0	0	-	-	-	-	4.425.244
Net	R0200	329	-	-	-	-	-	-	2.703.280
Premiums earned									
Gross - Direct Business	R0210	24.281	0	0					4.736.286
Gross - Proportional reinsurance accepted	R0220	244	0	0					2.427.191
Gross - Non-proportional reinsurance accepted	R0230			-	-	-	-	-	0
Reinsurers' share	R0240	24.063	0	0	-	-	-	-	4.506.636
Net	R0300	462	-	-	-	-	-	-	2.656.842
Claims incurred									
Gross - Direct Business	R0310	14.915	0	0					2.427.468
Gross - Proportional reinsurance accepted	R0320	113	0	0					1.361.765
Gross - Non-proportional reinsurance accepted	R0330			-	-	-	-	-	0
Reinsurers' share	R0340	18.114	0	0	-	-	-	-	2.236.551
Net	R0400	-3.087	-	-	-	-	-	-	1.552.683
Expenses incurred	R0550	6.325	-	-	-	-	-	-	1.672.575
Balance - other technical expenses/income	R1200								-
Total technical expenses	R1300								1.672.575

Premiums, claims and expenses by line of business (S.05.01.02)

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410	-	-	-	-	-	-	-	-	0
Reinsurers' share	R1420	-	-	-	-	-	-	-	-	0
Net	R1500	-	-	-	-	-	-	-	-	0
Premiums earned										
Gross	R1510	-	-	-	-	-	-	-	-	0
Reinsurers' share	R1520	-	-	-	-	-	-	-	-	0
Net	R1600	-	-	-	-	-	-	-	-	0
Claims incurred										
Gross	R1610	-	-	-	-	7	119	-	-	127
Reinsurers' share	R1620	-	-	-	-	0	19	-	-	19
Net	R1700	-	-	-	-	7	100	-	-	108
Expenses incurred	R1900	-	-	-	-	-	-	-	-	0
Balance - other technical expenses/income	R2500									-
Total technical expenses	R2600									-
Total amount of surrenders	**R2700**	-	-	-	-	-	-	-	-	0

Life and Health SLT Technical Provisions (S.12.01.02)

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
Technical provisions calculated as a whole	R0010	-	-			-			-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020	-	-			-			-	-	-
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	R0030	-		-	-		-	-	30.315	-	30.315
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	-		-	-		-	-	876	-	876
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	-		-	-		-	-	29.439	-	29.439
Risk Margin	R0100	-	-			-			-	-	-
Technical provisions - total	R0200	-	-			-			30.315	-	30.315

Life and Health SLT Technical Provisions (S.12.01.02)

		Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
			Contracts without options and guarantees	Contracts with options or guarantees			
		C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010	-			-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020	-			-	-	-
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	R0030		-	-	267	-	267
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080		-	-	-	-	-
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		-	-	267	-	267
Risk Margin	R0100	-			0	-	0
Technical provisions - total	R0200	-			267	-	267

Non-Life Technical Provisions (S.17.01.02)

		Direct business an accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM										
Best estimate										
Premium provisions										
Gross	R0060	-	-242	-	-8.394	9.322	-33.619	516.292	-9.619	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-1.734	-	-10.517	10.495	-67.813	242.379	-88.551	-
Net Best Estimate of Premium Provisions	R0150	-	1.492	-	2.124	-1.174	34.194	273.914	78.932	-
Claims provisions										
Gross	R0160	-	233.537	-	870.616	124.869	639.384	4.020.522	7.562.048	177
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	7.455	-	81.674	78.908	489.519	2.083.076	3.654.691	-
Net Best Estimate of Claims Provisions	R0250	-	226.083	-	788.942	45.961	149.865	1.937.446	3.907.358	177
Total Best estimate - gross	R0260	-	233.295	-	862.222	134.191	605.765	4.536.814	7.552.429	177
Total Best estimate - net	R0270	-	227.575	-	791.065	44.788	184.059	2.211.360	3.986.289	177
Risk margin	R0280	-	9.086	-	31.584	1.788	7.349	88.291	159.157	7
Technical provisions - total										
Technical provisions - total	R0320	-	242.381	-	893.806	135.979	613.113	4.625.105	7.711.586	184
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	5.721	-	71.156	89.403	421.706	2.325.454	3.566.140	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	-	236.661	-	822.649	46.576	191.407	2.299.651	4.145.446	184

Non-Life Technical Provisions (S.17.01.02)

		Direct business an accepted proportional reinsurance			Accepted non-proportional reinsurance				Total Non-Life obligation
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross	R0060	-7.572	-	-	-	-	-	-	466.168
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-7.908	-	-	-	-	-	-	76.351
Net Best Estimate of Premium Provisions	R0150	336	-	-	-	-	-	-	389.817
Claims provisions									
Gross	R0160	51.470	-	-	-	-	-	-	13.502.623
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	37.822	-	-	-	-	-	-	6.433.144
Net Best Estimate of Claims Provisions	R0250	13.648	-	-	-	-	-	-	7.069.478
Total Best estimate - gross	R0260	43.898	-	-	-	-	-	-	13.968.791
Total Best estimate - net	R0270	13.983	-	-	-	-	-	-	7.459.295
Risk margin	R0280	558	-	-	-	-	-	-	297.820
Technical provisions - total									
Technical provisions - total	R0320	44.456	-	-	-	-	-	-	14.266.610
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	29.914	-	-	-	-	-	-	6.509.495
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	14.542	-	-	-	-	-	-	7.757.115

Non-life insurance claims (S.19.01.21)

Gross Claims Paid (non-cumulative) - Development year (absolute amount)

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100											146.469
N-9	R0160	651.363	996.727	388.535	191.993	119.856	109.380	73.833	66.163	37.970	28.400	
N-8	R0170	781.668	1.036.569	570.957	293.022	137.441	140.357	139.421	140.667	30.028		
N-7	R0180	764.874	1.148.659	453.174	316.916	298.062	125.921	162.535	58.049			
N-6	R0190	582.733	810.356	396.781	160.285	124.835	168.994	97.635				
N-5	R0200	407.023	210.773	314.799	262.392	238.761	155.827					
N-4	R0210	449.131	938.653	548.505	430.502	280.157						
N-3	R0220	393.404	794.645	508.253	302.286							
N-2	R0230	448.423	938.960	498.603								
N-1	R0240	528.500	956.982									
N	R0250	589.291										

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100	146.469	12.838.500
	R0160	28.400	2.664.220
	R0170	30.028	3.270.129
	R0180	58.049	3.328.191
	R0190	97.635	2.341.620
	R0200	155.827	1.589.575
	R0210	280.157	2.646.947
	R0220	302.286	1.998.589
	R0230	498.603	1.885.985
	R0240	956.982	1.485.482
	R0250	589.291	589.291
Total	**R0260**	**3.143.727**	**34.638.529**

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Vor	R0100											2.101.486
N-9	R0160	2.182.250	1.195.643	848.648	609.114	519.454	454.827	404.351	418.226	413.897	393.898	
N-8	R0170	2.776.227	1.805.412	1.148.329	944.225	919.309	791.910	728.435	577.371	510.039		
N-7	R0180	2.925.206	2.025.568	1.471.525	1.217.817	872.402	720.132	584.400	525.010			
N-6	R0190	2.504.300	1.621.435	1.103.863	1.103.097	970.394	831.862	758.685				
N-5	R0200	2.342.813	1.881.215	1.488.551	1.223.051	929.740	813.535					
N-4	R0210	3.096.897	2.289.477	1.583.657	1.196.085	857.430						
N-3	R0220	3.070.463	2.297.614	1.608.822	1.198.898							
N-2	R0230	3.482.906	2.353.247	1.664.860								
N-1	R0240	4.136.665	2.769.819									
N	R0250	4.095.656										

		Year end (discounted data)
		C0360
	R0100	1.627.347
	R0160	315.967
	R0170	409.546
	R0180	430.996
	R0190	628.427
	R0200	693.480
	R0210	732.203
	R0220	1.040.720
	R0230	1.457.428
	R0240	2.471.470
	R0250	3.695.039
Total	**R0260**	**13.502.623**

Impact of long term guarantees measures and transitionals (S.22.01.21)

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	14.297.191	-	-	120.518	-
Basic own funds	R0020	4.746.608	-	-	-56.809	-
Eligible own funds to meet Solvency Capital Requirement	R0050	4.746.608	-	-	-56.809	-
Solvency Capital Requirement	R0090	2.396.717	-	-	108.702	-
Eligible own funds to meet Minimum Capital Requirement	R0100	4.617.317	-	-	-55.672	-
Minimum Capital Requirement	R0110	1.013.137	-	-	5.686	-

Own funds (S.23.01.01)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	125.000	125.000		-	
Share premium account related to ordinary share capital	R0030	284.043	284.043		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-				
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	4.005.646	4.005.646			
Subordinated liabilities	R0140	331.918		-	331.918	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Deductions						
Deductions for participations in financial and credit institutions	R0230	-	-	-	-	-
Total basic own funds after deductions	R0290	4.746.608	4.414.690	-	331.918	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	-			-	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	-			-	
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	-			-	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	4.746.608	4.414.690	-	331.918	-
Total available own funds to meet the MCR	R0510	4.746.608	4.414.690	-	331.918	
Total eligible own funds to meet the SCR	R0540	4.746.608	4.414.690	-	331.918	-
Total eligible own funds to meet the MCR	R0550	4.617.317	4.414.690	-	202.627	
SCR	R0580	2.396.717				
MCR	R0600	1.013.137				
Ratio of Eligible own funds to SCR	R0620	198,05%				
Ratio of Eligible own funds to MCR	R0640	455,74%				

Own funds (S.23.01.01)

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	4.414.690
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	409.043
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	4.005.646
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	924.252
Total Expected profits included in future premiums (EPIFP)	R0790	924.252

Solvency Capital Requirement - for undertakings on Standard Formula (S.25.01.21)

The registration form S.25.01.21 is not filled in for the HDI Global SE.

Solvency Capital Requirement - for undertakings using an internal model (partial or full) (S.25.05.21)

Solvency Capital Requirement information

		Solvency Capital Requirement	Amount modelled	USP	Simplifications
		C0010	C0070	C0090	C0120
Risk type					
Total diversification	R0020	-1.534.692	-	-	-
Total diversified risk before tax	R0030	2.396.717	-	-	-
Total diversified risk after tax	R0040	2.396.717	-	-	-
Total market & credit risk	R0070	2.976.603	-	-	-
Market & Credit risk - diversified	R0080	2.031.511	-	-	-
Credit event risk not covered in market & credit risk	R0190	351.363	-	-	-
Credit event risk not covered in market & credit risk - diversified	R0200	252.816	-	-	-
Total Business risk	R0270	-	-	-	-
Total Business risk - diversified	R0280	-	-	-	-
Total Net Non-life underwriting risk	R0310	1.541.570	-	-	-
Total Net Non-life underwriting risk - diversified	R0320	935.104	-	-	-
Total Life & Health underwriting risk	R0400	-	-	-	-
Total Life & Health underwriting risk - diversified	R0410	-	-	-	-
Total Operational risk	R0510	227.720	-	-	-
Total Operational risk - diversified	R0520	227.720	-	-	-
Other risk	R0530	68.859	-	-	-

Calculation of Solvency Capital Requirement

		C0100
Total undiversified components	R0110	3.516.011
Diversification	R0060	-1.119.294
Adjustment due to RFF/MAP nSCR aggregation	R0120	-
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency capital requirement, excluding capital add-ons	R0200	2.396.717
Capital add-ons already set	R0210	-
of which, Capital add-ons already set - Article 37 (1) Type a	R0211	0
of which, Capital add-ons already set - Article 37 (1) Type b	R0212	0
of which, Capital add-ons already set - Article 37 (1) Type c	R0213	0
of which, Capital add-ons already set - Article 37 (1) Type d	R0214	0
Solvency capital requirement	R0220	2.396.717
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	-
Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	0
Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-
Method used to calculate the adjustment due to RFF nSCR aggregation	R0450	-
Net future discretionary benefits	R0460	-

Approach to tax rate

		Yes/No
		C0109
Approach based on average tax rate	R0590	3 - Not applicable as LAC DT is not used (in this case R0600 to R0690 are not applicable)

Calculation of loss absorbing capacity of deferred taxes

		LAC DT
		C0130
Amount/estimate of LAC DT	R0640	-
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	R0650	-
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	R0660	-
Amount/estimate of LAC DT justified by carry back, current year	R0670	-
Amount/estimate of LAC DT justified by carry back, future years	R0680	-
Amount/estimate of Maximum LAC DT	R0690	-

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (S.28.01.01)

Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCR_{NL} Result	R0010	1.012,513

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	227.575	83.415
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	791.065	399.613
Other motor insurance and proportional reinsurance	R0060	44.788	49.206
Marine, aviation and transport insurance and proportional reinsurance	R0070	184.059	78.089
Fire and other damage to property insurance and proportional reinsurance	R0080	2.211.360	1.076.249
General liability insurance and proportional reinsurance	R0090	3.986.289	1.006.768
Credit and suretyship insurance and proportional reinsurance	R0100	177	-
Legal expenses insurance and proportional reinsurance	R0110	13.983	329
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	9.611
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_{L} Result	R0200	624

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	
Obligations with profit participation - future discretionary benefits	R0220	-	
Index-linked and unit-linked insurance obligations	R0230	-	
Other life (re)insurance and health (re)insurance obligations	R0240	29.705	
Total capital at risk for all life (re)insurance obligations	R0250		-

Overall MCR calculation		**C0070**
Linear MCR	R0300	1.013.137
SCR	R0310	2.396.717
MCR cap	R0320	1.078.523
MCR floor	R0330	599.179
Combined MCR	R0340	1.013.137
Absolute floor of the MCR	R0350	3.700
Minimum Capital Requirement	**R0400**	**1.013.137**

Minimum Capital Requirement - Both life and non-life insurance activity (S.28.02.01)

The registration form S.28.02.01 is not filled in for the HDI Global SE.