



**HDI Group
Solvency
and Financial
Condition
Report 2023**

At a glance

- The HDI Group uses its approved internal model and shows a very strong capitalisation.
- The HDI Group's so-called risk kernel – the Talanx Group – also clearly meets its strategic risk objectives.
- Own funds and risk are determined using a range of views that vary in terms of both their model scope and the economic and regulatory aspects used to determine eligible own funds.

The resulting key indicators are explained in more detail in this report.

- The Group has a well-functioning, appropriate governance and risk management system that is continuously enhanced and that complies with strict quality requirements and standards.

KEY INDICATORS FOR DIFFERENT VIEWS

EUR thousand	Talanx Group (economic view)		HDI Group (regulatory view)		HDI Group (excluding transitional)	
Own funds	Basic own funds (BOF)	30,083,271	Eligible own funds	28,711,561	Eligible own funds (excluding transitional)	25,813,457
Solvency capital requirement	(Full) economic internal model	11,857,981	Full internal model	11,849,365	Full internal model	12,026,294
Ratio	Capital adequacy ratio (Talanx)	254%	Solvency 2 ratio (including transitional)	242%	Solvency 2 ratio (excluding transitional)	215%

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Summary

This report presents the HDI Group's solvency and financial condition and describes in particular the Talanx Group, which is the HDI Group's material risk kernel and which is relevant for the capital market. Further information is also available in the reports prepared by the various subsidiaries.

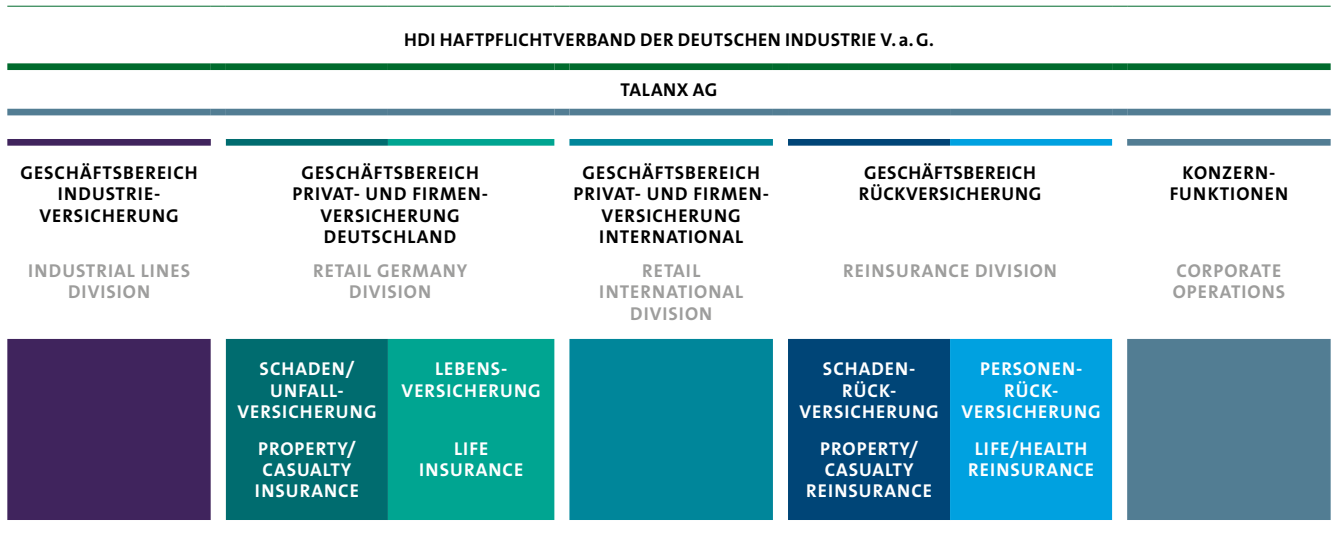
Group structure

As the ultimate parent undertaking of the HDI Group, HDI V.a.G. owns 76.7% of the shares in Talanx AG. In its role as an insurance company, HDI V.a.G. participates in the majority of HDI Global SE's predominantly direct domestic new and renewal business via a 1% co-insurance share. HDI V.a.G. is primarily invested in low risk, highly liquid assets. This means that the risk profile of the HDI Group is essentially defined by the risk profile of the Talanx Group. To this extent, this forms the material risk kernel of the Group.

Talanx AG acts primarily as a finance and management holding company that in turn owns significant participations in insurance companies. The Group operates in more than 175 countries, either directly or through cooperations. Our business model consists of assuming underwriting and financial risk. Talanx AG also operates as an intra-group reinsurer.

The HDI Group works with its companies in several different areas of primary insurance and reinsurance, both in property/casualty insurance and in life insurance. Its broad geographical and sectoral positioning is the backbone for our high level of diversification.

GROUP STRUCTURE

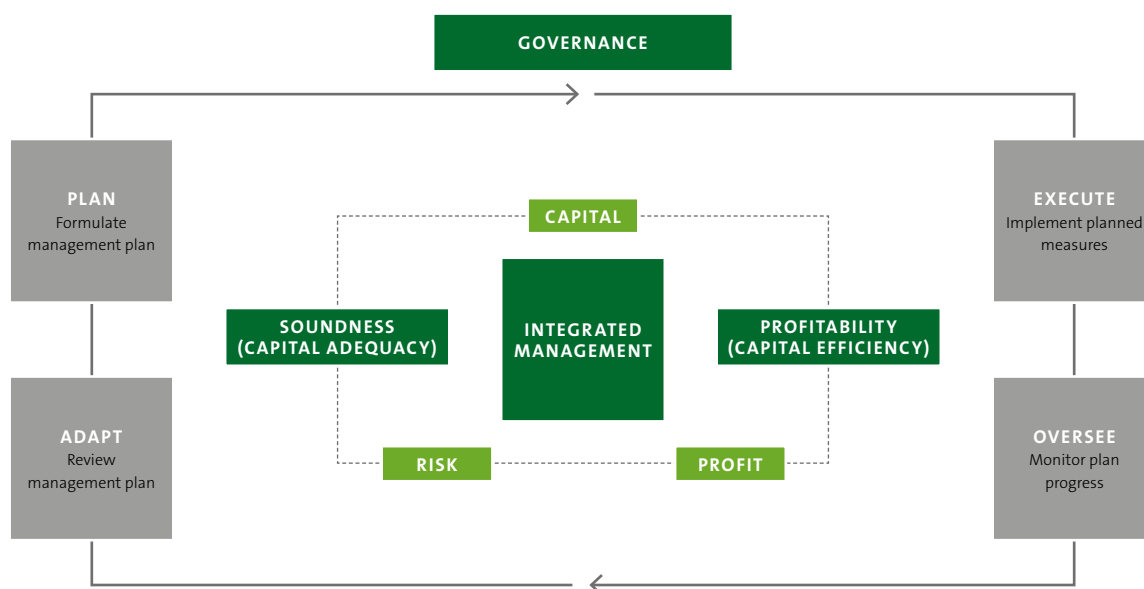


Brief overview of enterprise risk management and targets

Insurance companies can look back on many years of experience with the application of actuarial methods and procedures for pricing and/or defining their risk exposure. These processes have been enhanced in terms of both methodology and content in the period since the 1990s, thanks to the systematic treatment of issues relating to value management and risk management. Holistic models known as enterprise risk management (or ERM) models are used for this, enabling a consistent benchmark to be adopted for measuring, assessing and managing accepted risks, income generated and capital deployed.

As part of enterprise management, Risk Management performs tasks and functions in both economic and regulatory contexts, making it an explicit part of the value chain. The HDI Group’s risk management philosophy uses a customised, Solvency 2 version of the ISO 31000 risk management standard, which allows us to harmoniously combine our Talanx Purpose with technical needs, supervisory requirements and economic imperatives. The risk management process revolves around the Talanx Enterprise Risk Model (TERM) – the HDI Group’s internal, holistic risk model.

PERFORMANCE CONCEPT AND INTEGRATED MANAGEMENT



We regard our enterprise risk management as a process and continuously enhance the approaches we take and adjust them to changes in the strategic and economic framework. We also refer to the results of internal and external audits, and of the internal validation process.

We use our ERM approach to derive annual targets for the Group, taking into account our risk-bearing capacity (soundness), the need to maintain our rating (trustworthiness) and the need to meet anticipated capital market expectations (profitability).

Capital concepts

The solvency balance sheet presents assets and liabilities on a market-consistent basis in accordance with Solvency 2, and is the focal point for the supervisory framework. In section D, we have added a reconciliation between “own funds” as per IFRS and eligible own funds in line with Solvency 2 so as to permit a comparison with familiar, published information.

The various concepts for “capital” differ both in terms of their economic (eligibility of hybrid capital) and their regulatory content (transitional and restrictions on availability) and in relation to the valuation principles applied.

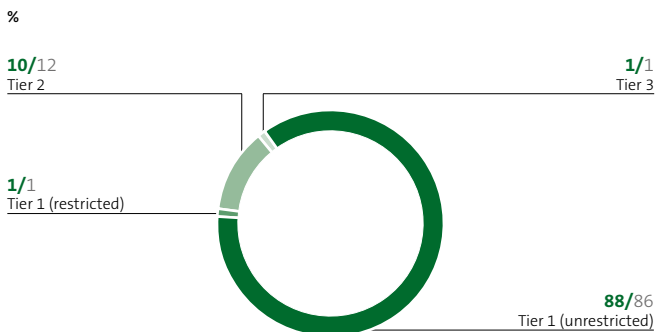
The HDI Group’s basic own funds excluding transitional and the solvency capital requirements are used to assess our risk-bearing capacity, risk budgeting, and Group limits and thresholds.

Regulatory capital requirements are compared with eligible own funds.

In addition to the volume of own funds, investment liquidity is particularly important. The operational insurance units are responsible for managing liquidity risk. To do this, they use appropriate systems that reflect the specific features of the HDI Group’s different business models. This gives us maximum flexibility in liquidity management.

For supervisory purposes, eligible own funds are broken down into different quality categories. This process is known as “tiering”. The following graphic shows that 88% of the HDI Group’s own funds are assigned to the highest quality tier. This means that the HDI Group has extremely generous levels of high-quality own funds.

BREAKDOWN OF ELIGIBLE OWN FUNDS



2023/2022

Risk assessment using TERM, Capital Adequacy Ratio

We use a full internal model that has been approved by the supervisory authority. This takes account of all quantifiable risks under Solvency 2.

TERM permits consistent risk modelling and measurement both at subsidiaries and for the Group as a whole, using a combination of event models and corporate models. Event models form the landscape of the risk factors (e.g. specific natural catastrophes or interest rate risks) of the HDI Group. The corporate models build on the event models to model the solvency balance sheet for the undertakings that are being analysed, and by doing so allow an assessment of the consequences of potential adverse events for the solvency balance sheet.

TERM uses Monte Carlo simulations to forecast the solvency balance sheets for the individual undertakings and to consolidate them on a Group-wide basis. A one-year horizon is used for the projected distributions produced.

This allows us to determine the Solvency Capital Requirement (SCR) for all quantifiable risks under Solvency 2.

The relationship between the SCR and own funds is expressed using the concept of excess cover or the capital adequacy ratio (CAR):

KEY RISK PARAMETERS FOR THE HDI GROUP

%	Limit	2023
Solvency 2 ratio (HDI Group, regulatory view, excluding transitional)	150–200	215
CAR (Talanx, economic)	≥ 200	254
Share of market risk (Talanx)	≤ 50	43

The solvency level used in our risk strategy far exceeds that required by the regulator.

Investing, and hence assuming market risk, are important parts of our business. However, we clearly define ourselves as an insurance group and so aim to keep the share of our overall risk accounted for by investment risk to less than or equal to 50% on a permanent basis. At present it is approximately 43% (based on the tail value at risk).

Diversified risk profile

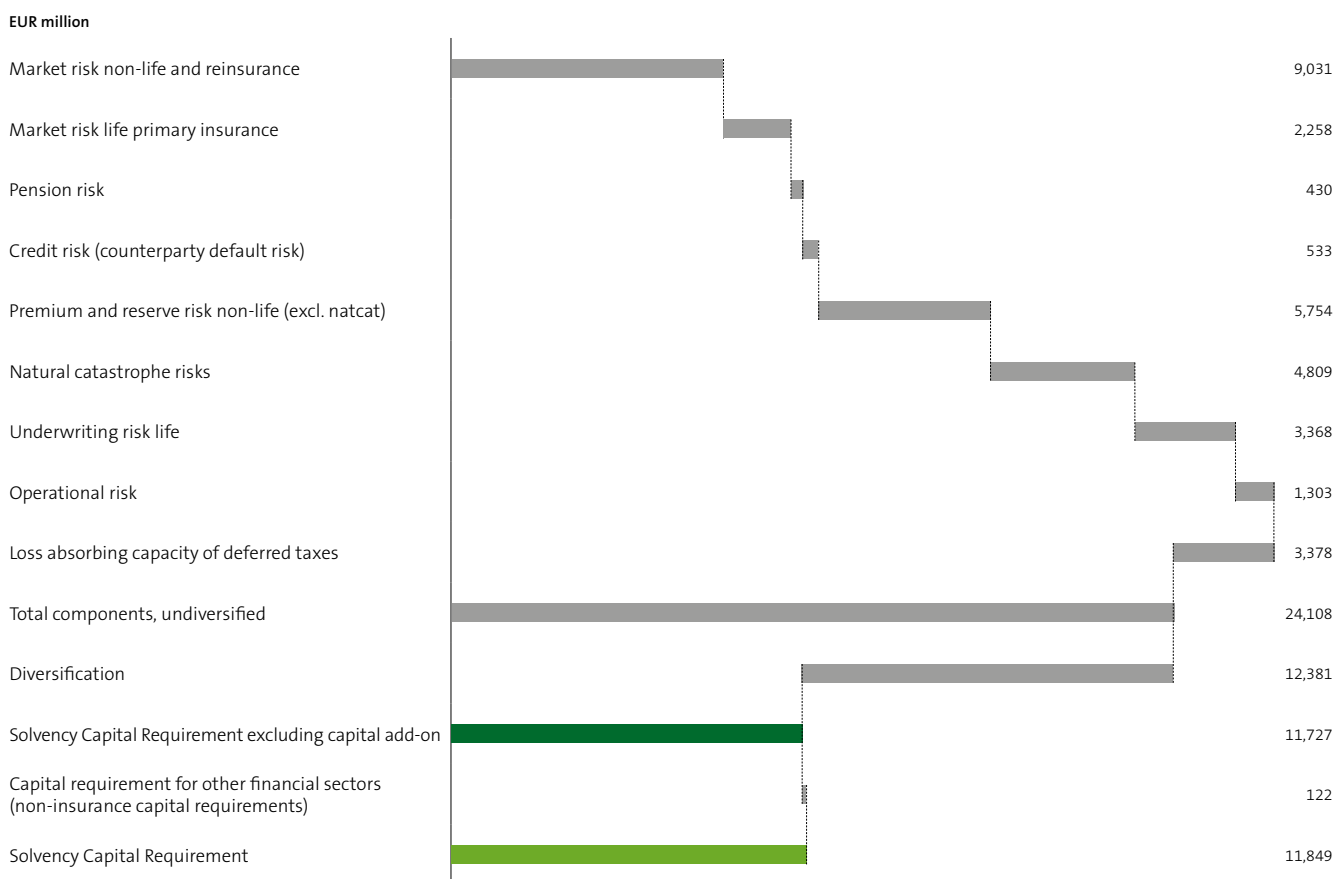
Risk profiles are used to depict aggregated risk factors that are subsumed under generic concepts such as “underwriting risk”.

The following bar chart shows the HDI Group’s material risk categories, based on the internal model. The Group’s risk profile contains the following key risk categories:

- Market and credit risk
- Underwriting risk – non-life, and particularly natural catastrophe risk
- Underwriting risk life

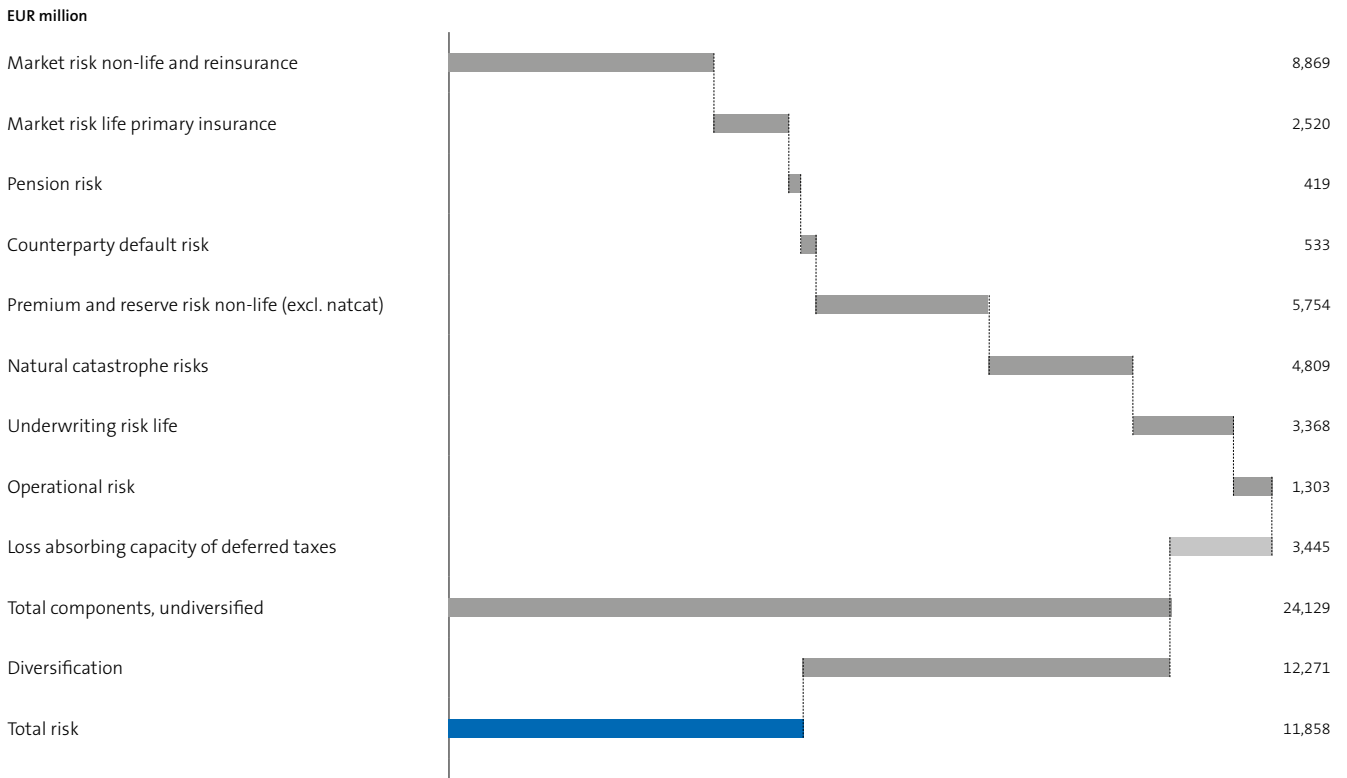
Diversification plays a crucial role in defining overall risk: our geographical spread and business diversity allow us to reduce our risk by roughly 51%.

HDI GROUP’S SOLVENCY CAPITAL REQUIREMENT BY RISK CATEGORY (REGULATORY VIEW)



The Talanx Group is the dominant component of the HDI Group’s risk profile. Risks are analysed primarily from an economic viewpoint with TERM. The following diagram shows the SCR determined in this way, broken down by risk category.

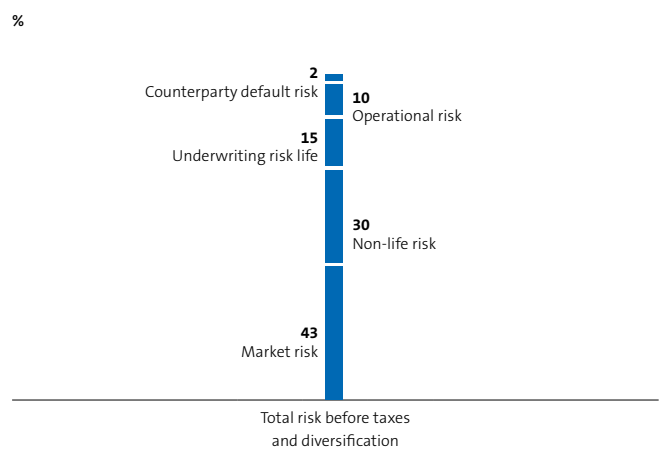
TALANX GROUP’S SOLVENCY CAPITAL REQUIREMENT BY RISK CATEGORY (ECONOMIC VIEW)



The differences in the risk profiles between the HDI Group and the Talanx Group are due to the additional risk associated with HDI V.a.G. The assessment approaches result in differences as a result of the separate disclosure of institutions for occupational retirement provision (as required by the regulator). However, the two risk profiles are highly similar overall.

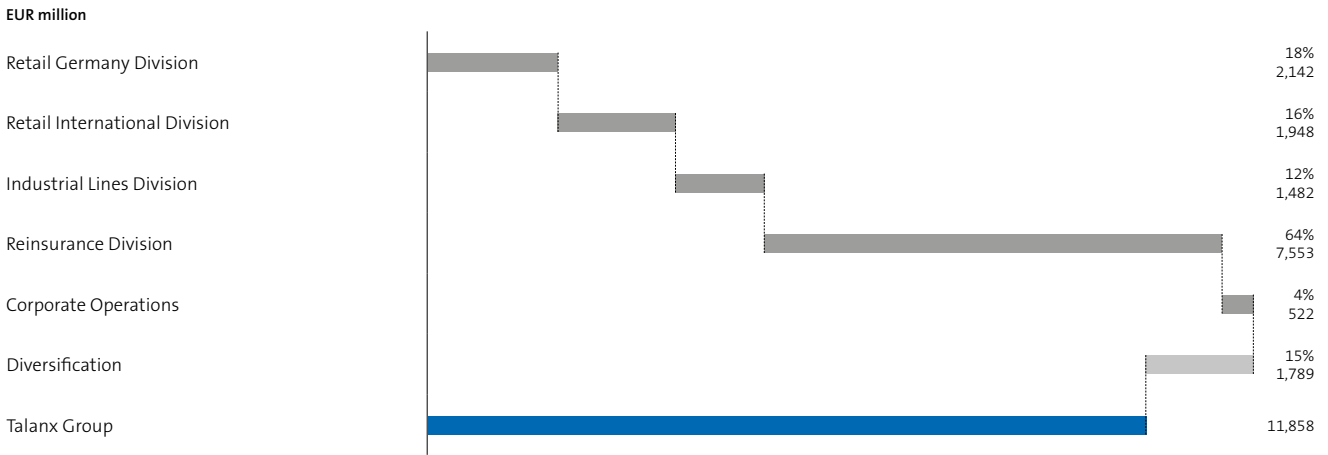
As regards risk management for the HDI Group, it makes sense for a large number of reasons to use the TERM internal model for the Talanx risk kernel in the economic view. In particular, the Talanx Group has defined a specific risk strategy target in this view, which stipulates that market risk should not exceed 50% of the overall risk. As shown in the following graphic, the current level is around 43%.

TALANX GROUP’S RISK COMPONENTS, ECONOMIC VIEW



At Group level, we focus not only on the risk categories but also analyse the risk profile for our subsidiaries, which are presented by division (the management unit concerned). The following graphic shows the contribution made by the individual divisions to the Talanx Group's SCR:

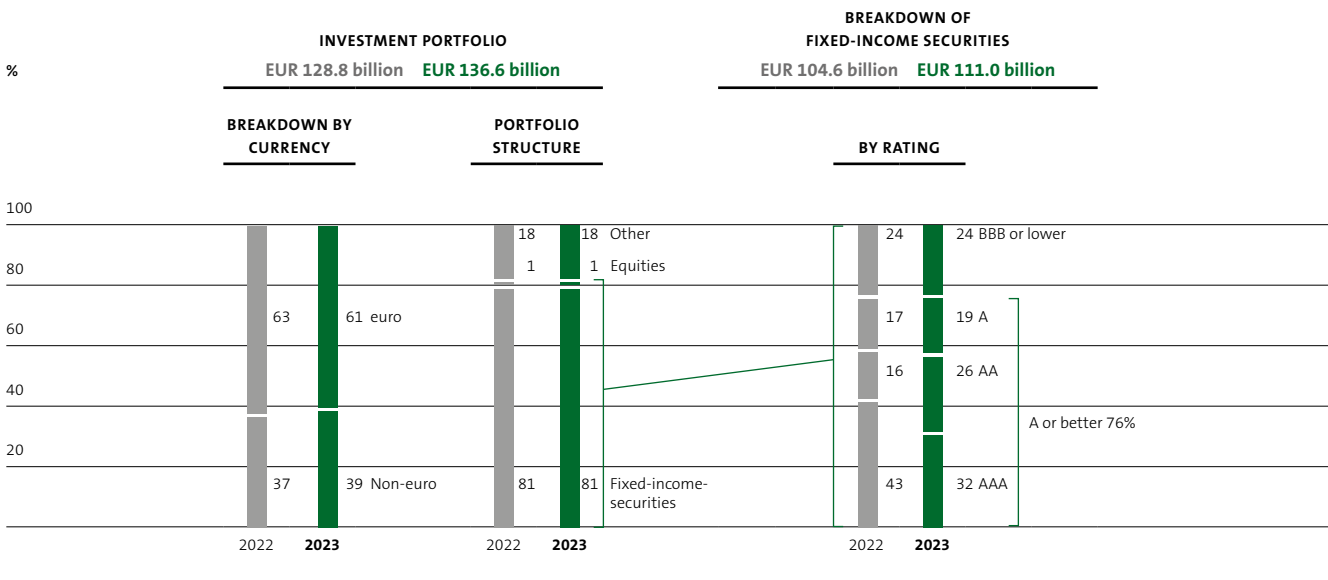
RISK PROFILE BY TALANX DIVISIONS (ECONOMIC VIEW)



Details of the risk profile

Market risk constitutes the largest factor in the Talanx Group's overall risk profile. Exposure to this risk is influenced by the investment portfolio structure. The following graphic shows the HDI Group's portfolio as measured in the IFRS financial statements:

HDI GROUP PORTFOLIO BY CURRENCY, ASSET CLASS AND RATING



The portfolio is dominated by fixed-income securities, 76% of which have at least an A rating. We selectively supplement bonds with very good credit quality and long durations with high-yield bonds with short maturities. The majority of our investments are denominated in euro, whereas the US dollar dominates in the non-euro area. Our goal is to achieve an appropriate mix of the euro and foreign currencies.

Our investment strategy results in a relatively low-risk portfolio overall. The significant role played by market risk in the HDI Group's risk profile is therefore also chiefly due to the portfolio's size.

In line with our business model, life and non-life underwriting risk is another key factor influencing our risk profile. The other categories account for a much lower share.

The following table shows our exposure to natural catastrophes for specific accumulation scenarios (effect on own funds).

ACCUMULATION SCENARIOS INCLUDING NON-CONTROLLING INTERESTS, EFFECT ON OWN FUNDS¹

EUR thousand	2023
250-year loss Hurricane US	-2,448,742
250-year loss Flood Europe	-2,069,321
250-year loss Earthquake US West Coast	-1,707,032
250-year loss Winterstorm Europe	-1,588,154
250-year loss Earthquake Chile	-1,546,914
250-year loss Earthquake Europe	-1,406,743
250-year loss Earthquake Japan	-1,132,862

¹ Actual developments in the area of natural hazards may differ from model assumptions.

We regularly analyse how sensitive the capital adequacy ratio is in relation to changes in individual risk categories and/or the occurrence of certain events. The following table gives an approximate answer to this question by analysing changes in material risk factors.

SENSITIVITIES OF THE CAPITAL ADEQUACY RATIO (CAR) AND SOLVENCY 2 RATIO OF RISK FACTOR STRESSES

	2023	
%	CAR (Talanx Group, economic)	Solvency 2 ratio (HDI Group, excluding transitional)
Year-end 2023	254	215
Equity markets -30 %	251	212
Equity markets +30 %	256	217
Credit spread +50 bp	247	210
Interest rate -50 bp	250	208
Interest rate +50 bp	255	216
NatCat event (200-year event, European storm)	242	208

Such market developments and the associated risks are influenced to a greater extent by external events such as political uncertainties than underwriting risk is. This, together with the comparatively high sensitivity to such movements, is a further argument in favour of limiting the proportion of the overall risk accounted for by market risk.

The uncertainties associated with economic models are far greater than those involved in scientific applications using statistical and mathematical forecasting models. The HDI Group expressly takes this factor into account by, among other things, quantifying these uncertainties using a validation process and expert assessments. Not only model uncertainties but also strategic risk and emerging risk are taken into account here. In this way, we increase our resistance even to withstand unforeseeable events.

Compliance with the regulatory framework

We comply with the requirements of Solvency 2 as set out in the German Insurance Supervision Act (VAG) with regard both to due and proper management and to supervisory capital requirements. In particular, the Group's capitalisation is clearly in excess of the level required by the supervisory authority.

The figures in this report are given in thousands of euros (EUR thousand), in line with the regulatory requirements. To the extent that Article 293(2) to (4) of the Commission Implementing Regulation requires reference to be made to the annual financial statements, minor differences to the presentation in the Group's annual financial statements can arise, since the figures there are consistently rounded to millions of euro.

The HDI Group's use of an internal model for regulatory purposes depends on an extremely intensive audit by the supervisory authority. With the document dated 19 November 2015, the HDI Group received an unlimited approval to use its partial internal model (TERM). Approval for the full internal model by including operational risk was granted by way of a letter dated 20 September 2019. Changes to this

model are subject to a comprehensive planning and approval process, with the latest changes approved by the letter dated 18 March 2024.

Even before the supervisory audit process, we had undergone corresponding reviews by rating agencies that produced positive results. This means that our models have been validated in a series of external assessments, something that further increases the trust in our internal model for third parties.

Our Solvency Capital Requirement and the volume and composition of our regulatory own funds are presented in section E of this report in particular.

In the course of the transition to the Solvency 2 supervisory regime, the supervisory authority approved the use of the transitional measure on technical provisions at several HDI Group companies. In addition, the dynamic volatility adjustment is permanently applied. The solvency ratio (regulatory view) for the HDI Group after application of the transitional is 242%. The HDI Group clearly exceeds the regulatory Solvency Capital Requirement even without the use of these measures, as can be seen from the table below. Further details can be found in section D.2 of this report.

IMPACT OF VOLATILITY ADJUSTMENT (VA) AND TRANSITIONAL MEASURES (TR)

		31.12.2023			
EUR thousand	Key indicators including volatility adjustment (VA) and transitional measures (TR)	Key indicators excluding measures			
		Impact of the TR	Including VA and excluding TR	Impact of the VA	Excluding VA and TR
Technical provisions	123,836,200	5,081,408	128,917,608	1,123,767	130,041,375
Basic own funds (HDI Group)	28,568,179	-2,898,104	25,670,075	-231,108	25,438,967
Eligible own funds for SCR	28,711,561	-2,898,104	25,813,457	-231,108	25,582,349
SCR	11,849,365	176,929	12,026,294	1,510,082	13,536,376
Solvency 2 ratio (%)	242	-28%-pts	215	-26%-pts	189

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A. Business and performance

A.1 Business

Overview of the HDI Group

The HDI Group is represented by its own companies or branches around the world and has business relationships with primary insurance and reinsurance customers in more than 175 countries overall.

The HDI Group works with its companies in several different areas of primary insurance and reinsurance, both in property/casualty insurance and in life insurance. In the interests of customers and investors, the Group has tailored its clear and efficient structure into four operating customer segments (divisions): Industrial Lines; Retail Germany (comprising the Property/Casualty Insurance and Life Insurance segments); Retail International; and Reinsurance (comprising the Property/Casualty and Life/Health Reinsurance segments). In addition, the Corporate Operations segment is responsible for the areas of asset management, corporate development, risk management, human resources and other services as well as for the intra-Group reinsurance of our primary insurance segments. The divisions are each responsible for their own business processes.

Industrial Lines operates worldwide; it is largely independent of third companies and is capable of leading international consortia. The Retail Germany Division bundles insurance offerings for retail clients and small and medium-sized companies in Germany. The Retail International Division focuses on the strategic core markets of Latin America and Central and Eastern Europe (including Türkiye).

Our Reinsurance operations comprise the Property/Casualty Reinsurance and Life/Health Reinsurance segments, which are operated by Hannover Rück SE. The target markets for Property/Casualty Reinsurance are Europe, the Middle East and Africa, America as well as Asia-Pacific; in addition, the segment runs a number of global reinsurance lines worldwide. Life/Health Reinsurance is divided into the financial solutions and risk solutions units, which comprises longevity solutions, and mortality and morbidity insurance.

The Group's ultimate parent undertaking is HDI Haftpflichtverband der Deutschen Industrie V.a.G. (HDI V.a.G.), a mutual insurance undertaking with a history stretching back more than 120 years.

Talanx AG acts as a financial and management holding company, managing the Group's companies. It ensures that the Group achieves its primary objective – sustainable, profitable growth and, in turn, long-term value generation. Talanx AG uses capital procurement and allocation, goal and target setting, performance benchmarking and suitable incentive systems in its management activities. It is also responsible for optimising the capital structure. Talanx AG uses its own staff departments to implement the measures derived from its strategic goals and targets, and to perform its operating activities. The task of these departments is to continuously enhance the HDI Group's development through systematic management and monitoring. Moreover, Talanx AG operates as an internal reinsurer.

The responsible supervisory authority is the

Bundesanstalt für Finanzdienstleistungsaufsicht
Graurheindorfer Str. 108
53117 Bonn, Germany

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Fax +49 228 4108-1550

E-Mail: poststelle@bafin.de
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The auditors engaged are PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Fuhrberger Straße 5, 30625 Hannover, Germany. The company was first responsible for auditing the annual and consolidated financial statements as at 31 December 2018.

The solvency balance sheet that is included in the SFCR is also audited by the auditor in accordance with section 35 (2) of the Insurance Supervision Act (VAG). The audit did not produce any reservations.

A detailed list of all the undertakings in the Group can be found in template S.32.01.22 ("Undertakings in the scope of the Group", see annex). As the ultimate parent undertaking, HDI V.a.G. does not have any branches.

The following graphic shows the HDI Group's main participations:

GROUP STRUCTURE

HDI HAFTPFLICHTVERBAND DER DEUTSCHEN INDUSTRIE V. a. G.

TALANX AG

GESCHÄFTSBEREICH INDUSTRIE-VERSICHERUNG	GESCHÄFTSBEREICH PRIVAT- UND FIRMEN-VERSICHERUNG DEUTSCHLAND		GESCHÄFTSBEREICH PRIVAT- UND FIRMEN-VERSICHERUNG INTERNATIONAL	GESCHÄFTSBEREICH RÜCKVERSICHERUNG	KONZERN-FUNKTIONEN	
INDUSTRIAL LINES DIVISION	RETAIL GERMANY DIVISION		RETAIL INTERNATIONAL DIVISION	REINSURANCE DIVISION	CORPORATE OPERATIONS	
	SCHADEN/ UNFALL-VERSICHERUNG	LEBENS-VERSICHERUNG		SCHADEN-RÜCK-VERSICHERUNG	PERSONEN-RÜCK-VERSICHERUNG	
	PROPERTY/ CASUALTY INSURANCE	LIFE INSURANCE		PROPERTY/ CASUALTY REINSURANCE	LIFE/HEALTH REINSURANCE	
HDI Global SE	HDI Deutschland AG		HDI International AG	Hannover Rück SE		HDI AG
HDI Global Specialty SE	HDI Versicherung AG		HDI Seguros S.A. (Argentina)	E+S Rückversicherung AG		Ampega Asset Management GmbH
HDI Versicherung AG (Austria)	Lifestyle Protection AG		HDI Seguros S.A. (Brazil)	Argenta Holdings Limited		Ampega Investment GmbH
HDI Global Seguros S.A. (Brazil)	LPV Versicherung AG		HDI Seguros S.A. (Chile)	Hannover ReTakaful B.S.C. (c) (Bahrain)		Talanx Reinsurance Broker GmbH
HDI Global Seguros S.A. (Mexico)	neue leben Unfallversicherung AG		HDI Seguros S.A. (Colombia)	Hannover Re (Bermuda) Ltd.		
HDI Global SA Ltd. (South Africa)	TARGO Versicherung AG		HDI Seguros S.A. de C.V. (Mexico)	Hannover Life Re of Australasia Ltd.		
HDI Global Insurance Company (USA)	HDI Lebensversicherung AG		HDI Seguros S.A. (Uruguay)	Hannover Re (Ireland) DAC		
HDI Global Network AG	HDI Pensionsfonds AG		TUiR WARTA S.A. (Poland)	Hannover Re South Africa Limited		
HDI Reinsurance (Ireland) SE	HDI Pensionskasse AG		TU na Życie WARTA S.A. (Poland)	Hannover Life Reassurance Company of America		
	HDI Pensionsmanagement AG		TU na Życie Europa S.A. (Poland)			
	Lifestyle Protection Lebensversicherung AG		TU Europa S.A. (Poland)			
	LPV Lebensversicherung AG		HDI Assicurazioni S.p.A. (Italy)			
	neue leben Lebensversicherung AG		HDI Sigorta A.Ş. (Türkiye)			
	TARGO Lebensversicherung AG					

Nur die wesentlichen Beteiligungen
Main participations only

Stand/As at: 31.12.2023

The individual companies within the Group can be allocated to the divisions shown. Their main activities are set out below.

Division ¹	Main activities
Industrial Lines	Non-life insurance and reinsurance obligations <ul style="list-style-type: none"> ■ Motor vehicle liability insurance ■ Marine, aviation and transport insurance ■ Fire and other damage to property insurance ■ General liability insurance
Retail Germany	Non-life insurance and reinsurance obligations <ul style="list-style-type: none"> ■ Motor vehicle liability insurance ■ Other motor insurance ■ Fire and other damage to property insurance ■ General liability insurance Life insurance obligations <ul style="list-style-type: none"> ■ Insurance with profit participation ■ health insurance ■ Index-linked and unit-linked insurance
Retail International	Non-life insurance and reinsurance obligations <ul style="list-style-type: none"> ■ Motor vehicle liability insurance ■ Other motor insurance ■ Fire and other damage to property insurance Life insurance obligations <ul style="list-style-type: none"> ■ Insurance with profit participation
Reinsurance	Life reinsurance obligations <ul style="list-style-type: none"> ■ Life reinsurance Non-life insurance and reinsurance obligations <ul style="list-style-type: none"> ■ Motor vehicle liability insurance ■ Fire and other damage to property insurance ■ General liability insurance Non-proportional reinsurance accepted <ul style="list-style-type: none"> ■ Non-proportional casualty reinsurance ■ Non-proportional property reinsurance

¹ Divisions as per Annex I Commission Delegated Regulation (EU) 2015/35.

In addition to the divisions listed in the table above, the Group structure also incorporates the Corporate Operations segment. The Corporate Operations segment includes Talanx AG, which primarily performs strategic tasks and acts as the Group's internal reinsurer. In addition, the segment includes HDI AG as the employer company for the German Primary Insurance Group and the reinsurance broker Talanx Reinsurance Broker GmbH, Ampega Asset Management GmbH and Ampega Investment GmbH; the Ampega companies primarily manage the Group's investments and offer financial and other services.

Basis of consolidation and risk kernel

The HDI Group determines its eligible own funds and solvency requirement on the basis of its consolidated financial statements in accordance with section 261 of the VAG, and prepares its solvency balance sheet in compliance with section 74ff. of the VAG. Ampega Investment GmbH (an asset management company) and the institutions for occupational retirement provision are included on the basis of their sectoral capital requirements under supervisory law.

One particular feature of the HDI Group is its "risk kernel". Defining the Talanx Group as the HDI Group's risk kernel makes sense in both economic and regulatory terms. HDI V.a.G. is involved only to an extremely limited extent in the German business activities of HDI Global SE in the form of proportional co-insurance. Actual risk compensation within the Group and risk management are performed at the level of the Talanx Group.

Talanx Enterprise Risk Model (TERM)

The peculiarity that risk management is performed at the level of the Talanx Group is also reflected in the name of our internal model, TERM (Talanx Enterprise Risk Model). TERM was designed as a full internal model for the Talanx Group, as the risk kernel, and is being expanded for regulatory purposes to cover the HDI Group.

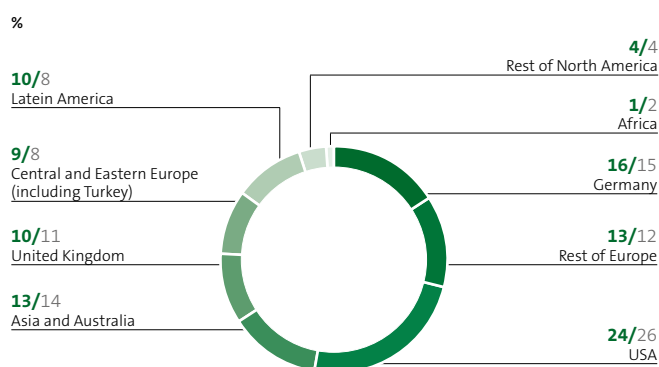
As the HDI Group includes life insurers that are applying transitionals in connection with the introduction of Solvency 2, it is necessary to make a distinction at the regulatory level between views including and excluding these transitionals (see section E.2). Both regulatory views are disclosed in the Solvency and Financial Condition Report. When defining the targets for our risk strategy, the focus is on the economic view and on the regulatory view excluding the transitionals. These two views are therefore the dominant ones in the presentation of this report.

The model is subject to continual refinement as part of a structured governance process. We also have requests for model changes lined up for this year so as to accommodate general economic changes and the structure and organisation of our business as well as to continually improve our models.

A.2 Underwriting performance

The HDI Group is widely diversified, both in terms of its fields of activity and in relation to the regions in which it operates. The following graphic illustrates this using a breakdown of insurance revenue by region:

INSURANCE REVENUE BY REGION



2023/2022¹

¹ Adjusted in accordance with IFRS 9 and IFRS 17 in conjunction with IAS 8.

The following list shows the five most important countries other than Germany in which we do business, measured by gross written premiums and divided by non-life and life business:

- Non-life business
 - USA
 - United Kingdom
 - Poland
 - Brazil
 - Australia
- Life business
 - USA
 - United Kingdom
 - Australia
 - China
 - Poland

Detailed information about these five key countries and their related premium income, provisions and expenses can be found in template S.05.02.01 (see annex).

The Group's divisions are a material factor in managing the under-taking. They are each active in several lines of business as defined in Annex I of the applicable Commission Delegated Regulation (EU) 2015/35.

The table in section A.1 shows how the Group's divisions are allocated.

The following table shows the underwriting performance, expressed in terms of the net technical result, as published in the segment reporting in the HDI Group's consolidated financial statements.

NET TECHNICAL RESULT

EUR thousand	2023	2022 ¹
Industrial Lines	769,848	573,906
Retail Germany	360,352	256,085
Retail International	425,573	109,460
Reinsurance	1,658,260	1,336,379
Corporate Operations	27,577	24,090
Consolidation	-7,115	154,341
Total	3,234,496	2,454,262

¹ Adjusted in accordance with IFRS 9 and IFRS 17 in conjunction with IAS 8.

The net technical result improved by 31.8% to EUR 3,234 (2,454) million. At EUR 2,168 million, large losses were in line with the expected budget for the financial year of EUR 2,200 million. The net technical result for the prior year also included the recognition of provisions for the effects of the war of aggression on Ukraine. The rise in interest rates also had a positive effect. The Group also used the reporting period to further enhance its own resilience and that of its balance sheet. The Life/Health Reinsurance segment contributed to the result thanks to improvements in insurance plans following the devastating impact of the pandemic in prior years and good claims experience in mortality business. The combined ratio improved by 0.9 percentage points to 94.3% (95.2%).

The full overview of all operational lines of business (Delegated Regulation), including the respective premium income, provisions and expenses, is shown in template S.05.01.02 (see annex).

For the presentation in the other sections of the SFCR – and especially in section D – the lines of business required by supervisory law have been grouped into the following categories:

- Non-life (excluding health)
- Life (excluding health and index-linked and unit-linked)
- Health (similar to life)
- Health (similar to non-life)
- Index-linked and unit-linked insurance

This breakdown forms the basis for the description of the differences in valuation/measurement between Solvency 2 and the IFRSs. The way in which the lines have been mapped is presented in detail in the "Additional Information" section of this report.

A.3 Investment performance

Net investment income

There is a EUR 133.6 billion portfolio in the solvency balance sheet, broken down by asset class, and an investment portfolio worth EUR 136.1 billion in the HDI Group's consolidated financial statements based on IFRS. Material differences in valuation/measurement are explained in section D.1.

OVERVIEW OF DIFFERENCES IN VALUATION/MEASUREMENT

EUR thousand	IFRS	Solvency 2
Equities	1,689,540	601,017
Bonds	109,413,271	98,259,538
Collective investment undertakings	9,103,212	19,262,865
Other investments (including loans and mortgages)	15,847,618	15,468,310

Differences in the line items above arise from the deviating allocation of individual items to other investments and other assets in the consolidation under IFRS or Solvency 2. Net investment income in the consolidated financial statements improved from EUR 2,335 million to EUR 3,255 million. Annualised net return on investment of the portfolio of assets under own management was in line with the previous year's level at 2.5% (2.6%).

NET INVESTMENT INCOME

EUR thousand	2023	2022 ¹
Ordinary investment income	4,814,931	4,359,813
of which current income from interest	3,545,234	3,549,092
of which current income from investment funds	331,109	—
of which income from real estate	431,378	435,496
of which income from investment contracts	239,843	181,535
Realised net gains on disposal of investments	-580,632	-680,890
Gain/losses from fair value changes	-163,716	-595,989
Expenses from investment contracts	-243,563	-177,608
Depreciation on and impairment losses/reversals of impairment losses on investments	-192,097	-215,351
Other investment expenses	-380,140	-354,969
Net investment income for own risk	3,254,784	2,335,005
Net investment income for the account and risk of life insurance policyholders	1,414,286	-1,566,466
Net investment income	4,669,070	768,539

¹ Adjusted in accordance with IFRS 9 and IFRS 17 in conjunction with IAS 8.

Details of securitisations

The HDI Group's portfolio of securitisations in accordance with Solvency 2 was EUR 3,118,794 thousand as at reporting date 31 December 2023 using the asset classification given in the Complimentary Identification Code (CIC).

A.4 Performance of other activities

Other income/expenses

Other income/expenses present the other material income and expenses that arose during the reporting period. The following table shows the other income/expenses as reported in the HDI Group's consolidated financial statements.

The "Other income/expenses" item generally does not include the personnel expenses incurred by our insurance companies in that these expenses are attributed to the functions during unit cost accounting and are allocated to investment expenses, claims and claims expenses, acquisition costs and administrative expenses. This also applies to depreciation and amortisation of, and impairment losses on, intangible and other assets at our insurance undertakings.

OTHER INCOME/EXPENSES

EUR thousand	2023	2022 ¹
Other income		
Income from services, rents and commissions	366,434	313,184
Recoveries on receivables previously written off	1,851	77
Income from the disposal of property, plant and equipment	4,412	5,851
Income from the reversal of other non-technical provisions	100,272	56,148
Interest income	113,043	99,382
Income from the disposal of consolidated companies	8,675	906,751
Miscellaneous income	154,333	194,599
Total	749,019	1,575,990
Other expenses		
Other interest expenses	127,700	50,341
Depreciation, amortisation and impairment losses	59,098	32,896
Expenses for the undertaking as a whole	1,271,177	1,064,598
Personnel expenses	25,821	28,557
Expenses for services and commissions	200,538	175,220
Other taxes	107,858	70,773
Additions to restructuring provisions	50,692	—
Miscellaneous other expenses	278,226	497,993
Total	2,121,110	1,920,379
Other income/expenses	-1,372,091	-344,389

¹ Adjusted in accordance with IFRS 9 and IFRS 17 in conjunction with IAS 8.

Leasing

Lessee

The Group leases various office spaces, technical equipment and office equipment at many locations. There is also a long-term land lease agreement in place as part of investment property.

The following right-of-use assets were recognised in the balance sheet as at 31 December 2023 in connection with leases:

CHANGES IN RIGHT-OF-USE ASSETS

EUR thousand	Carrying amount as at 31.12.2023	Carrying amount as at 01.01.2023
Real estate held and used	309,206	321,710
Infrastructure investments	24,466	26,138
Investment property	33,389	35,023
Operating and office equipment	1,633	911
Other right-of-use assets	3,628	2,878
Total	372,322	386,660

CHANGES IN LEASE LIABILITIES

EUR thousand	2023
Carrying amount as at 01.01.2023	415,414
Carrying amount as at 31.12.2023	397,713

MATURITY OF LEASE LIABILITIES

EUR thousand	2023
less than 1 year	100,068
1 year and more	297,645
Total	397,713

Lessor

The total amount from activities as the lessor in 2023 amounted to EUR 315,771 thousand and totalled EUR 1,198,126 thousand in the following years. This income relates primarily to real estate leasing activities.

HDI GROUP AS LESSOR

EUR thousand	2023	Subsequent years
Operating leases	315,771	1,198,126
Finance leases	—	—
Total	315,771	1,198,126

The income from lease transactions shown above was mainly due to real estate being leased out by property companies in the Property/Casualty Reinsurance segment, as well as by primary insurance undertakings in Germany (mainly in the Life Insurance segment of the Retail Germany Division).

Where HDI Group undertakings act as the lessors in leases, the latter contain all necessary conditions, and especially the amount of the lease payments, the starting date and duration of the lease, any provisions regarding security deposits and the conditions for their return, any possible lease extensions and the nature of the asset concerned.

No financing leases exist at present.

A.5 Any other information

Intragroup transactions

The undertakings in the HDI Group have business relationships with one another. These are known as intragroup transactions. They include all transactions in which a Group undertaking directly or indirectly assumes responsibility for performing an obligation from another Group undertaking. Such transactions are considered to be intragroup transactions regardless of whether they are contractually documented and of whether they based on actual financial flows. Risk management considers transactions of this type for three reasons: they may impact the risk profile, the assets, liabilities, financial position and financial performance and the System of Governance.

Intragroup transactions are allocated to one of the following four groups when they are recorded:

- Equity transactions, debt transfers and asset transfers
- Derivatives
- Internal reinsurance – this is the most significant item due to reinsurance relationships between subsidiaries in the primary insurance segment and our reinsurance companies
- Cost sharing, contingent liabilities, off-balance-sheet items and other intragroup transactions

The key factor determining transaction data acquisition within the Group is a threshold agreed with the supervisory authority. At present, this is 5% of the lowest solo SCR for the Group undertakings involved in the transaction concerned. The internal reporting rules are put into practice by determining the lowest solo SCR for six sub-groups and assigning rounded-down internal threshold values to it. This ensures that all relevant transactions are reported to Group Risk Management in an annual cycle.

In total, intragroup relationships worth EUR 11,487,413 thousand were eliminated on the asset side of the balance sheet during consolidation between the divisions as disclosed in the annual financial statements; the corresponding figure on the liability side of the balance sheet was EUR 11,331,144 thousand.

Material business transactions or other events

As explained in section A.1, the Talanx Group is the HDI Group's risk kernel. No material business transactions that would have altered this structure took place in 2023.

Simone Auer was appointed as the Chief Risk Officer at Talanx as at 1 May 2023. The mathematician Simone Auer was already the Deputy Chief Risk Officer at the subsidiary Hannover Rück SE before joining Group Risk Management at Talanx in October 2022. She succeeded Professor Dr Gerhard Stahl in the role of CRO as at 1 May 2023. Professor Stahl, the long-standing Head of Group Risk Management, will continue to advise the Group in the role of research advisor. This creates an innovative channel for him to promote the transfer of knowledge and creates points of contact between young academics and undertakings.

The HDI Group purchased undertakings from Liberty Mutual Insurance Inc. in 2023. As a result, the HDI Group is now the second-largest insurer, by premium income, in property/casualty insurance in Latin America. The Group's gross premium income (IFRS 4) in Latin America is expected to increase by around EUR 1.7 billion. Following this transaction, the HDI Group is ranked no. 2 in Brazil, no. 1 in Chile and no. 7 in Colombia (pro forma). Furthermore, the portfolio of the Retail International Division as a whole is much more diversified as the share attributable to Latin America business amounts to around 45%. The transaction also comprises Liberty Specialty Markets' insurance business in Brazil, Chile and Colombia. The transaction does not include the facultative reinsurance business of Liberty Specialty Markets, the contract reinsurance business of Liberty Mutual Reinsurance or the business of Liberty Mutual Surety, which will continue to operate in Brazil, Chile and Colombia.

Also, through Ampega Asset Management, the HDI Group invested in the green electricity production of a portfolio of 15 hydropower plants on three Swedish river systems in 2023. The 15-year power purchase agreement (PPA) has a transaction volume in the hundreds of million euro. In addition to Augusta Investment Management, the partner is the German energy company Uniper, the owner and operator of the plants that have been feeding into the Swedish electricity grid for several decades. With this investment and its innovative structure, the HDI Group is expanding its role as a supporter of the energy transition and one of the leading investors in renewable energies.

Finally, Talanx AG has initiated a capital increase in return for cash contributions by partially utilising authorised capital, in order to increase the free float and tradability of its shares and to further improve its position on equity indices. Its share capital was increased by the issuance of new no-par registered shares ("New Shares") in return for cash contributions with the simplified disapplication of shareholders' pre-emption rights. To further increase the free float, the majority shareholder of Talanx AG, HDI V.a.G., also offered to sell up to EUR 100 million in Talanx shares from its own holdings. The shares were offered to qualifying investors in an accelerated book-building process. The funds increase the HDI Group's already excellent capital resources for future opportunities for organic and non-organic growth in conjunction with its strategic, disciplined acquisition policy.

B. System of governance

B.1 General information on the system of governance

Business organisation structure

The Group's ultimate parent undertaking is HDI Haftpflichtverband der Deutschen Industrie V.a.G. (HDI V.a.G.), a mutual insurance undertaking with a history stretching back more than 120 years. Through its member companies and organisations and through HDI Global SE's advisory councils, HDI V.a.G. serves as an interface between business and industry on the one hand, and the HDI Group's operational insurance business on the other.

As the permanent strategic shareholder of Talanx AG, the listed financial and management holding company in which it holds an absolute majority of the shares, HDI V.a.G. pursues an independent business policy that is designed to safeguard the company and increase its enterprise value and that ensures the Talanx Group implements a long-term strategy that reflects the interests of all its stakeholders. By regularly retaining its earnings, HDI V.a.G. aims to accumulate sufficient funds to ensure it can participate in any capital increases at Talanx AG and thereby to safeguard the latter's independence in future as well.

We have three primary insurance divisions spanning various lines of business: Industrial Lines, Retail Germany (which comprises the Property/Casualty and Life Insurance segments) and Retail International. Each of these divisions is headed by a member of Talanx AG's Board of Management.

Industrial Lines operates worldwide. It is as independent of third-party companies as possible and is therefore able to lead international consortia using its own companies. The Retail Germany Division comprises companies offering insurance to retail clients and small and medium-sized enterprises in Germany. The Retail International Division focusses primarily on the strategic core markets of Brazil, Chile, Mexico, Poland and Türkiye.

The Reinsurance Division consists of the Property/Casualty Reinsurance and Life/Health Reinsurance segments, which are operated by Hannover Rück SE. The target markets for Property/Casualty Reinsurance are Europe, the Middle East and Africa, America as well as

Asia-Pacific; in addition, the segment runs a number of global reinsurance lines worldwide. Life/Health Reinsurance is divided into the financial solutions and risk solutions units, which comprises longevity, and mortality and morbidity insurance.

The Corporate Operations segment includes Talanx AG, which primarily performs strategic tasks and acts as the Group's internal reinsurer. In addition, the segment includes HDI AG as the employer company for the German Primary Insurance Group and the reinsurance broker Talanx Reinsurance Broker GmbH, Ampega Asset Management GmbH and Ampega Investment GmbH; the Ampega companies primarily manage the Group's investments and offer financial and other services.

Tasks and responsibilities

Board of Management, Supervisory Board and General Meeting

HDI V.a.G. defines good corporate governance as the responsible management and control of the undertaking in order to create sustainable value. In particular, we aim to further enhance the trust placed in us by our business partners, our employees and the public at large. We also attach great importance 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. We aim to always apply the highest ethical and legal standards both at a strategic level and in our day-to-day operations.

HDI V.a.G. has three governing bodies: the Board of Management, the Supervisory Board and the Annual 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 HDI V.a.G. and defines its goals and strategy. Article 7(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. As at 31 December 2023, the Board of Management of HDI V.a.G. consisted of three people.

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 Board member 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 Board of Management reports regularly, promptly and comprehensively to the Supervisory Board on all matters of strategy, planning, business development, the risk position, risk management and compliance relevant to the undertaking and the Group. The Supervisory Board has set out the Board of Management’s information and reporting obligations in more detail in a binding information policy document for the Supervisory Board. Documents on which decisions have to be made, and particularly the single-entity financial statements, the consolidated 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 and the Group
- adoption of the annual planning for the undertaking and the Group
- any decision to exit the industrial insurance business
- the signing, amendment and termination of intercompany agreements
- the acquisition and disposal of parts of participations in excess of a certain size

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 Chairman of the Supervisory Board is in regular contact with the Chairman of the Board of Management to discuss the undertaking’s strategy, business developments and risk management. 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. The Supervisory Board comprises six members who are elected by the General Meeting.

The Supervisory Board holds ordinary meetings regularly, and at least once per quarter. Extraordinary meetings are convened as required. The Personnel Committee also holds regular meetings.

The Supervisory Board is quorate when at least half of the total number of members of which the Supervisory Board is required to be composed take part in a resolution. All decisions are passed by a simple majority unless another majority is prescribed by law. If a vote results in a tie, the Chairman has a casting vote.

The Supervisory Board has formed a Personnel Committee and also set up a Finance and Audit Committee. The tasks performed by the Finance and Audit Committee are set out in the Rules of Procedure for the Supervisory Board. Additional committees can be set up as needed. The Personnel Committee prepares resolutions by the Supervisory Board relating to members of the Board of Management and passes resolutions instead of the Supervisory Board on the content, signature, amendment and termination of contracts of service with the members of the Board of Management (with the exception of remuneration issues), and on their implementation. The committee is responsible for extending loans to the group of individuals set out in sections 89 and 115 of the German Stock Corporation Act (AktG), as well as to the representatives of its member groups, for authorising members of the Board of Management to perform other activities as set out in section 88 of the AktG and for approving the contracts with Supervisory Board members in accordance with section 114 of the AktG. It exercises the powers set out in section 112 of the AktG on behalf of the Supervisory Board and ensures long-term succession planning together with the Board of Management.

General Meeting

Members exercise their rights in the General Meeting. Voting rights for the General Meeting are determined on the basis of the share of total premiums attributable to the members of HDI V.a.G. from directly written business in the past financial year.

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 net 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 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.

Key functions

Insurance supervision law requires all insurance and reinsurance undertakings to have in place an effective system that ensures “sound, prudent business management”. The following four key functions ensure that the requirements for the HDI Group are met:

- the independent risk controlling function (risk management function),
- the compliance function,
- the internal audit function,
- the actuarial function.

To support this process, the boards of management of HDI V.a.G. and Talanx AG have established and adopted policy guidelines that define the basic principles, tasks, processes and reporting obligations for each key function.

Organisational measures ensure holders of key functions do not perform any other incompatible activities.

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 on this topic can be found in section B.2.

Independent Risk Controlling function

The independent risk controlling (risk management) function notifies the Board of Management of all risks that must be classified as potentially material in nature and supports it in performing tasks relating to its general responsibility for risk management. To do so, the risk management function continually identifies and evaluates any risks that can be classified as potentially relevant (using the risk strategy as a basis), defines risk limits for approval by the Board of Management and aggregates identified risks for reporting purposes. It should also report to the Board of Management on other specific risks, either on its own initiative or on request. The risk management function is also responsible for further developments to, and the application of, the internal Group model.

Additional information on the independent risk controlling function can be found in section B.3.

Compliance function

The compliance function works to ensure that employees and members of governing bodies at Group companies comply with all applicable laws and regulations and internal rules, and monitors their observance. This function is an integral component of the Group's system of governance and internal control system. The compliance function is headed by the Group's Chief Compliance Officer. Every year, it draws up a Compliance Plan that details all tasks and activities planned by it for the financial year.

Additional information on the compliance function can be found in section B.4.

Internal audit function

The internal audit function analyses and assesses all activities and processes carried out within the System of Governance. Through these procedures and the provision of advice, the internal audit function helps ensure that executive management can effectively perform its monitoring role. Group Audit's activities are based on a comprehensive, risk-oriented audit plan, which is updated annually. As an executive department, Group Audit is detached from the day-to-day work process and is autonomous and organisationally independent. Group Audit's independence at the process level is guaranteed by the fact that it has not been assigned any line duties as a function. Written guidelines governing the tasks, powers and responsibilities of Group Audit have been set out in the "Group Audit guideline".

Additional information on the internal audit function can be found in section B.5.

Actuarial function

The HDI Group's actuarial function coordinates activities relating to the valuation of technical provisions under Solvency 2 and monitors the process used to calculate these provisions. This also includes setting technically consistent minimum standards for methods, models and data quality at Group level. The actuarial function also informs and advises the Board of Management from the perspective of the whole Group concerning the reserve situation, the underwriting and acceptance policy, and the adequacy of reinsurance agreements. In addition, the actuarial function supports the risk management function in its tasks, in particular in matters concerning the internal model and the Own Risk and Solvency Assessment (ORSA). It also provides its actuarial expertise.

Additional information on the actuarial function can be found in section B.6.

Significant changes in the business organisation

No significant changes were made to the system of governance during the reporting period.

Information on remuneration policy and practices

The HDI Group's Remuneration Guidelines set out the general framework for its remuneration policy and the key features of the remuneration structure and rules. The guidelines apply to the HDI Group in Germany and abroad and also cover the boards of management and supervisory boards of HDI V.a.G. and Talanx AG, as well as the holders of key Group functions.

Remuneration policy

The remuneration policy is aligned with the goal of sustainably enhancing the Group's value in the long term. The Group's remuneration rules are designed to be competitive and in line with the market. Remuneration structures reflect business developments at the Group and the division in question, while also taking sustainability issues and the competitive environment into account. The remuneration system is based on a transparent, performance-related incentive that is closely linked to the company's success and is aligned with the HDI Group's business and risk strategy, internal organisational structure, risk profile, and Group and divisional targets and objectives. The remuneration structures are generally designed to prevent unreasonable risk-taking where possible. 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 Group companies in Germany and abroad are responsible for implementing the remuneration policy and ensuring the adequacy of the remuneration rules. More specifically, the supervisory boards of the various Group companies determine the remuneration for the

executive management of these companies, while the executive management determines the remuneration for their employees with the assistance of the human resources departments concerned.

Remuneration structure and remuneration practices

Remuneration paid to management and key function holders

The remuneration paid to the members of the Board of Management, the holders of key functions and senior executives generally comprises the following components:

- Annual fixed remuneration: The fixed remuneration component is primarily based on the scope of tasks performed by a manager, the degree of responsibility they exercise, and their professional experience.
- Variable remuneration: The variable remuneration component is designed in manner that supports sustainable long-term business development in different earnings scenarios and in a changing business environment. The amount of variable remuneration paid is linked to the achievement of specific Group or divisional targets, as well as individual performance.
- Retirement provision: In the case of retirement provisions, commitments are generally made that are based on the defined contribution model. Some members still have defined benefit pension commitments, in which the annual pension payment is calculated as a percentage of the last fixed pensionable remuneration that they received prior to leaving the Board of Management. Individual pension arrangements vary throughout the Group in some cases and are aligned with local market conditions.
- Other non performance-related ancillary benefits (e.g. insurance, company cars): Ancillary benefits vary throughout the Group and are also aligned with local market conditions.

Annual remuneration is divided into fixed remuneration and variable remuneration, with the latter comprising a one-year short-term incentive (STI) and a long-term incentive (LTI) with a performance period of four years.

The composition of the variable remuneration component and the proportional relationship between the fixed and variable component are different for the different Talanx grades and vary in line with the degree of responsibility exercised by senior executives and Board of Management members in their respective functions.

Using standardised key indicators, the amount of variable remuneration is linked to the achievement of annual targets for Group RoE or the RoE of the division, as well as additional target criteria that can be included in the target attainment as part of a potential increase or decrease. Variable remuneration is based on a systematic, transparent target agreement process and performance management. This annual process results in a clear understanding of what is expected to further sustainable business development. Goal agreements measure quantitative, financial and operating results. The development of qualitative measures and initiatives promoting sustainable Group development is also included.

Supervisory Board remuneration

Members of the supervisory boards of HDI V.a.G. and Talanx AG receive fixed annual remuneration. The basic remuneration paid to the chairman and deputy chairmen of the Supervisory Board is higher than that paid to ordinary members, reflecting the substantial additional work they need to perform.

Members of supervisory board committees at HDI V.a.G. and Talanx AG also receive additional fixed remuneration.

Material transactions with shareholders, persons with a significant influence on the business and members of administrative, management or supervisory governing bodies

During the reporting period, there were no material transactions with shareholders, persons with a significant influence on the business or members of administrative, management or supervisory governing bodies.

B.2 Fit and proper requirements

The German Insurance Supervision Act (VAG) stipulates that all individuals who actually head the undertaking or perform 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 “Group 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” guideline, which are regularly reviewed and amended where applicable. The objective of these documents is to define a binding framework for fulfilling the fit and proper requirements that apply for individuals who

- actually manage the undertaking,
- are responsible for other key functions and
- perform key functions

Description of the fit and proper 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.

Personal reliability does not have to be positively demonstrated. Instead, it is considered as given if no facts are known that would indicate otherwise. Unreliability must be assumed if general life experience suggests that an individual's personal circumstances justify the assumption that these circumstances could limit their ability to perform their function in a prudent and proper manner.

Individuals belonging to the group of persons who perform key tasks as defined by the VAG are as follows:

(1) Individuals who actually manage the undertaking:

- members of the Board of Management and executive members of the Administrative Board
- general managers
- authorised agents at branches within the EU/EEA
- loss adjustment representatives

(2) Further individuals who perform key tasks are:

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

Given the different roles played by the individuals who actually manage the undertaking and those who perform other key tasks, these persons must provide evidence of their professional qualifications 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 the supervisory authority correspond to the current standard processes based on BaFin's Guidance Notices on Fitness and Propriety.

The specified Guideline for Meeting the Fit and Proper Requirements requires detailed CVs to be requested prior to appointing the positions 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:

(1) Description of the position including key tasks

- list of requirements (job description)
- decision-making powers and authority to issue instructions
- degree of personal responsibility

(2) Requirements for professional qualification on the part of individuals who actually manage the undertaking:

- 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 of information technology
- ability to interpret financial and actuarial data and figures, for the purpose of financing and actuarial analysis
- knowledge and understanding of the regulatory framework

The requirements for professional qualification on the part of responsible individuals in key roles 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, although specific requirements may vary for the key functions:
 - internal audit: particular focus on economic knowledge and knowledge of control systems
 - compliance: particular focus on legal and economic knowledge
 - risk management and actuarial function: particular focus on actuarial, mathematical and scientific knowledge
- market knowledge
- language skills and
- 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 theory, and management
- language skills and
- analytical understanding

Familiarity with the particular circumstances of institutions for occupational retirement provision:

- language skills and
- analytical understanding

The subject areas of capital investment, underwriting, accounting/auditing, internationalisation, compliance, risk management, ESG/sustainability, personnel and IT/digitalisation are subject to an annual self-assessment. A lack of professional suitability can be remedied through corresponding further training.

Job profiles are regularly reviewed by the organisational units responsible 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:

(1) Attributes relating to the person responsible for key tasks:

- new information regarding the integrity of the person responsible for key tasks (e.g. pending criminal proceedings, suspected breach of trust/money laundering or terrorism financing)
- changes in the personality of managers that would prevent them from representing the undertaking appropriately in public (e.g. improper conduct in public)
- new information regarding the professional qualifications of the person responsible for key tasks
- new information about managers that raises doubts about their ability to perform their tasks soundly and prudently

(2) 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 responsible for key tasks)

Persons responsible for key tasks are 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.

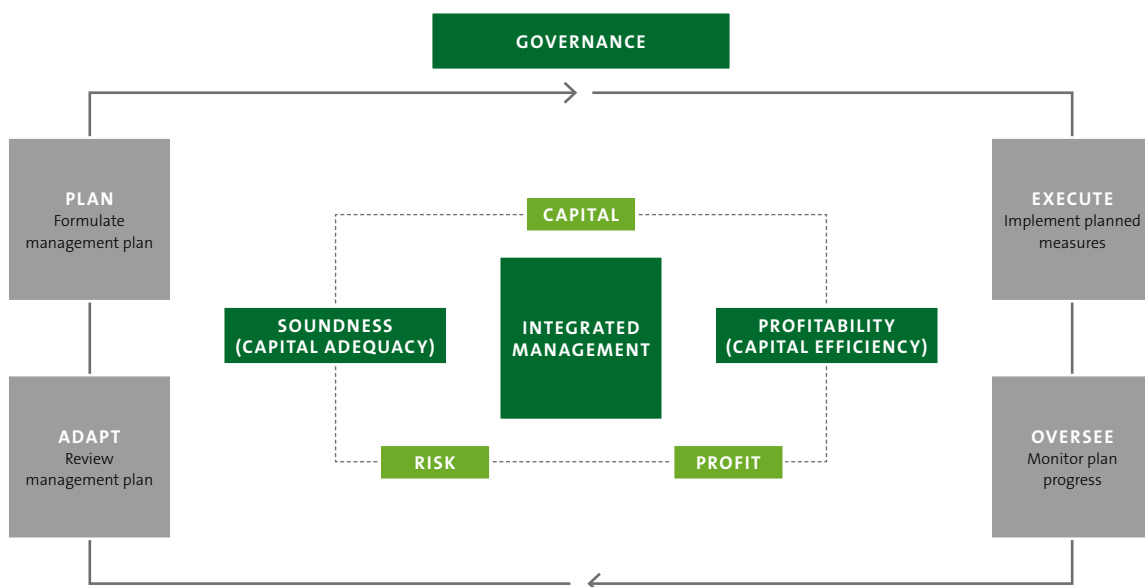
B.3 Risk Management System including the own risk and solvency assessment

Structure of the risk management system

HDI V.a.G. has outsourced the risk management function to be established at Group level in accordance with Section 275 (1) sentence 1 VAG in conjunction with Section 30 (1) VAG to Talanx AG.

Risk management systems are the sum of all measures in place for identifying, analysing, assessing, communicating, monitoring and steering risks and opportunities at an undertaking. The HDI Group has implemented its risk management system in the form of an enterprise risk management system (ERM) – i.e. a holistic system that also includes measuring performance and systematically identifying any actions that may need to be taken.

PERFORMANCE CONCEPT AND INTEGRATED MANAGEMENT



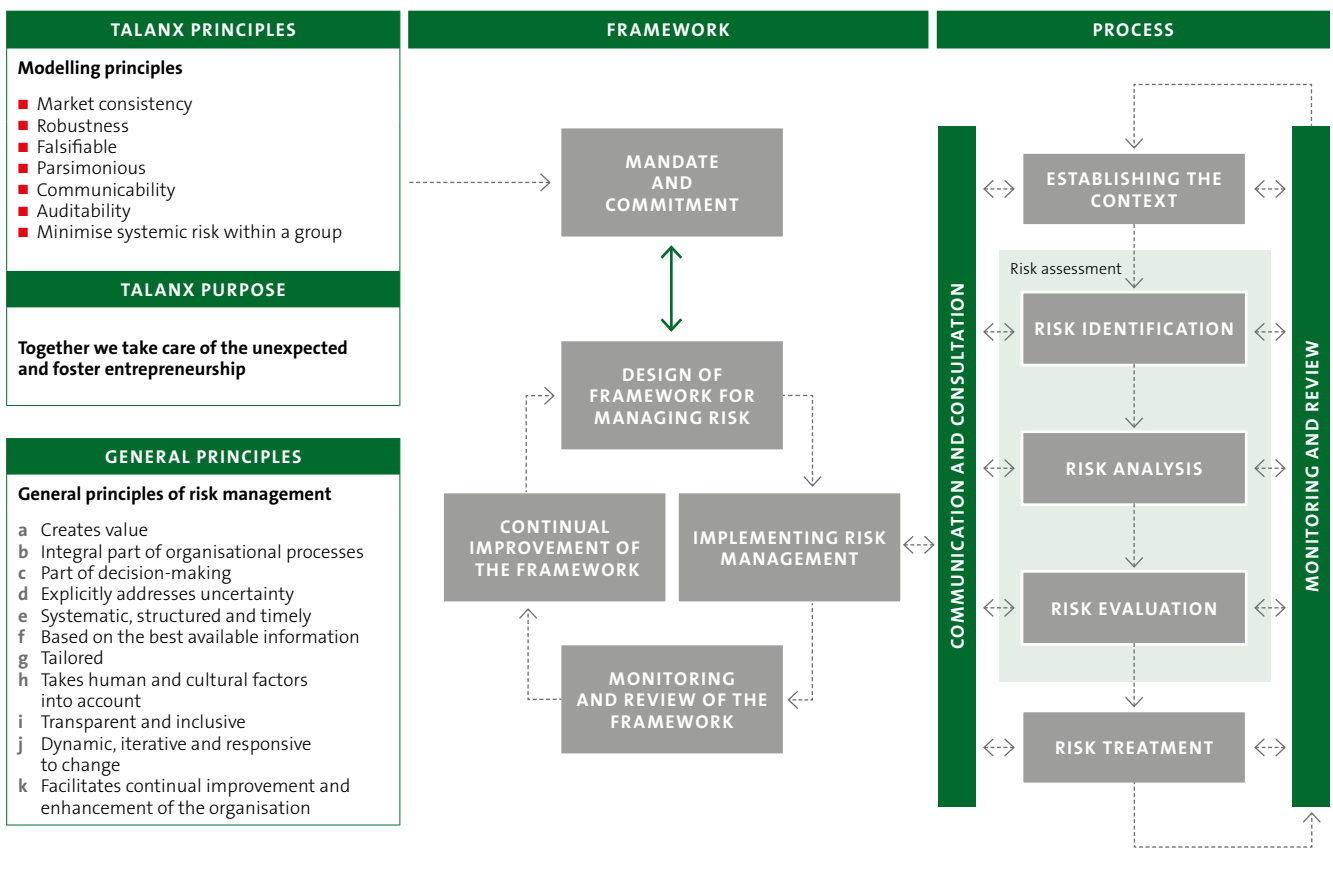
The basic concepts of risk, capital and income are not viewed here as absolutes but rather as relative factors that have a stakeholder relationship.

The concept of risk used relates to positive or negative deviations between the results of actions taken and objectives set. In this context, risk is understood to mean uncertainty in respect of events and their consequences.

The following graphic shows the basic components of the risk management system at the HDI Group. These include procedural components and framework guidelines that define the processes and suitable process controls. The implementation of an ERM is based on the company or risk management philosophy, which defines the key cornerstones of the risk culture.

This is followed by general principles that summarise experiences in risk management in terms of best practice. The following diagram is based very closely on the ISO 31000 standard for risk management and provides an overview of the basic structure of our risk management system.

THE GROUP RISK MANAGEMENT SYSTEM



The ability to understand the HDI Group's data and figures depends on an understanding of the role played by stakeholders and their influence on the quantitative measurement of the above-mentioned concepts (risk, capital and income), as the key indicators associated with each differ significantly from one another.

The HDI Group's risk management system takes the following stakeholders into consideration:

1. Board of Management and Supervisory Board (economic management of the undertaking, ensuring that different stakeholders' objectives are achieved)
2. Policyholders (at the least: fulfilment of the regulatory solvency requirement)
3. Shareholders (increasing the enterprise value, payout ratios)
4. Rating agencies (specific level of capital for bondholders)
5. Supervisory authorities and watchdogs (consumer protection, systemic risk control)

DIFFERENT VIEWS OF RISK AND CAPITAL

Stakeholder	Risk	Capital	Cover (%)
Shareholders, Board of Management, Supervisory Board, rating agencies, bondholders	Internal model	Basic own funds excluding transitional	254
Board of Management, Supervisory Board, bondholders	Internal model	Eligible own funds excluding transitional	215
Supervisory authority, policyholders, bondholders	Internal model	Eligible own funds including transitional	242

We use our internal model as the basis for deriving a limit and threshold system that is suited to assessing risks both on a component basis and in their entirety, bearing our risk-bearing capacity in mind. This applies both to risk categories and to participations (subsidiaries). A risk budget that complies with this limit and threshold system is then defined for the Talanx Group and its divisions. Regulatory requirements regarding capitalisation are taken into account as an auxiliary condition for the HDI Group when defining targets. This risk budget describes a contingent risk potential that reflects the Board of Management's risk appetite as derived from the undertaking's goals and targets. The risk budget also takes the divisions' risk-bearing capacity into account; this serves as an auxiliary condition in the risk budgeting process.

Implementation of the risk management system within the Group

In order to ensure that the risk management system is implemented consistently throughout the Group, the Group's risk management function integrates the risk management units at the various divisions and subsidiaries. It does this on the one hand using Group guidelines and on the other by including the subsidiaries, and ensuring their active participation, in the relevant risk management bodies and decision-making and escalation processes that have been established throughout the Group.

The following table describes the roles of key persons in the risk management process, as well as important bodies from the Group perspective.

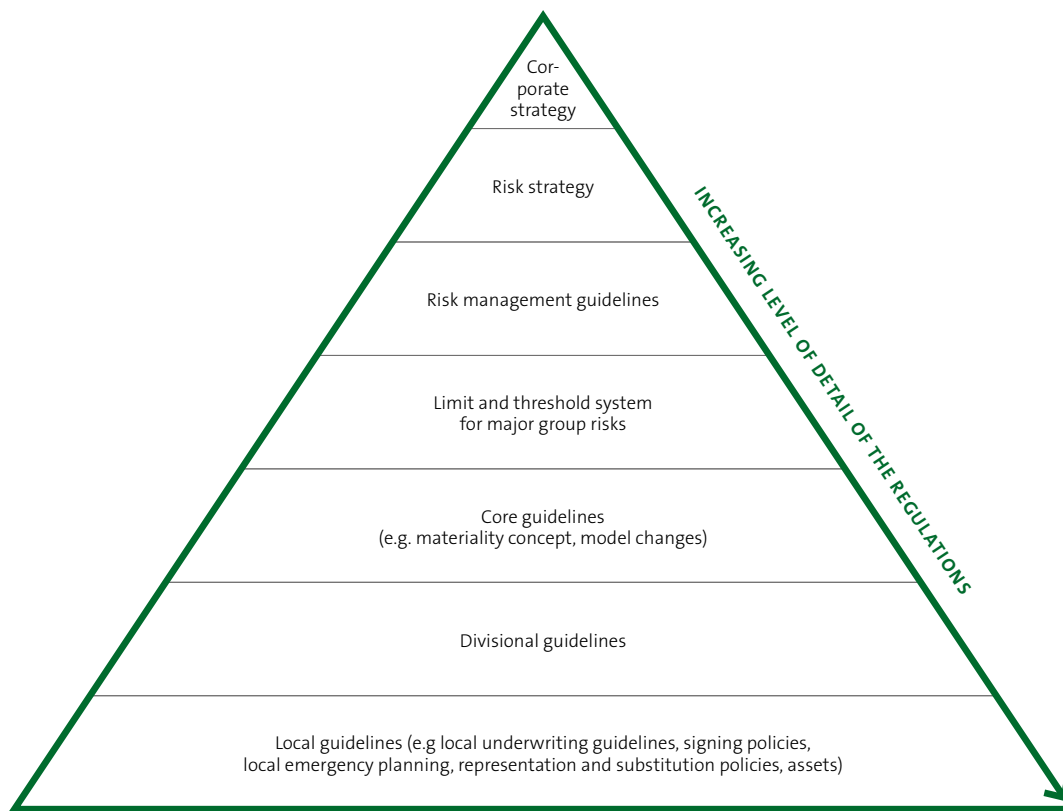
RISK MANAGEMENT SYSTEM

Responsibilities and organisational units	Main activities
Supervisory Board	<ul style="list-style-type: none"> Advises and oversees the Board of Management in its management of the Company, including with respect to risk strategy and risk management
Board of Management	<ul style="list-style-type: none"> Overall responsibility for proper functioning of risk management Definition, approval and annual review of Group and risk strategy Definition of material limits and thresholds Establishment of the early warning system Monitoring of risk-bearing capacity Definition of central risk strategy parameters Specification of consistent Group standards in risk management Approval of amendments to models Ongoing monitoring of the risk profile
Executive Risk Committee (ERC)	<ul style="list-style-type: none"> Preliminary examination of material risk management issues that require a Board of Management resolution Management, coordination and prioritisation of service centre activities with risk management services Handling of limit breaches below the materiality threshold Approval of guidelines and other regulatory framework in accordance with Group frameworks for the governance of the Group's internal model to the extent that they do not require the approval of the Board of Management as a whole Proposal and monitoring of material limit and threshold values as well as recommendations for risk limitation
Chief Risk Officer (CRO)	<ul style="list-style-type: none"> Responsible for holistic monitoring across divisions (identification, assessment and analysis, monitoring, control and reporting) of all risks that are material from a Group perspective in terms of both assets and equity/liabilities Responsibility for the internal model of the Group
Central Risk Management of the Group	<ul style="list-style-type: none"> Independent risk controlling function at Group level, i.e. holistic monitoring across divisions of all risks that are material from a Group perspective in terms of both assets and equity/liabilities Development of methods, standards and processes for the identification, assessment, analysis, monitoring and management of risks Reporting on identified and analysed risks
Local Risk Management	<ul style="list-style-type: none"> Independent risk controlling function at division and subsidiary level, i.e. holistic monitoring (identification, assessment and analysis, monitoring control and reporting) of all risks that are material from a local perspective in terms of both assets and equity/liabilities Development of methods, standards and processes for the assessment and monitoring of risks, in particular for the solo models

Key specifications for the design and structure of risk management activities and functions at the HDI Group are set out in internal guidelines and detailed rules. In line with the principle of "central strategic management plus local divisional responsibility", the details of this framework are then fleshed out at the level of the individual divisions and subsidiaries. The figure below shows the hierarchy of rules applicable within the risk management system.

Risk budgeting and the definition of limits and thresholds are other key components of the risk management framework.

HIERARCHY OF RULES FOR THE RISK MANAGEMENT SYSTEM



Risk management process and communication

Specifically, the risk management process relates to the processes in the schematic representation of the risk management system. We identify risks throughout the Group using key indicators and various risk surveys. Qualitative risks are recorded systematically using a Group-wide risk capture system. Risks spanning multiple divisions, such as compliance risks, are addressed by involving the areas or experts concerned. Risk identification at product level is performed at an early stage as part of our New Product Process.

An overall examination of risks is also conducted within the framework of the modelling and validation of our internal model. This is particularly important for ensuring an adequate presentation of diversification effects.

The risk analysis and risk measurement are carried out for regulatory solvency purposes on the basis of our internal model. We also utilise a series of supplementary models that we especially apply in the process for operational management of specific risk categories. In contrast to our internal model TERM, model runs for these operational models are generally more frequent (e.g. weekly) and much more granular in terms of the depiction of the underlying financial instruments.

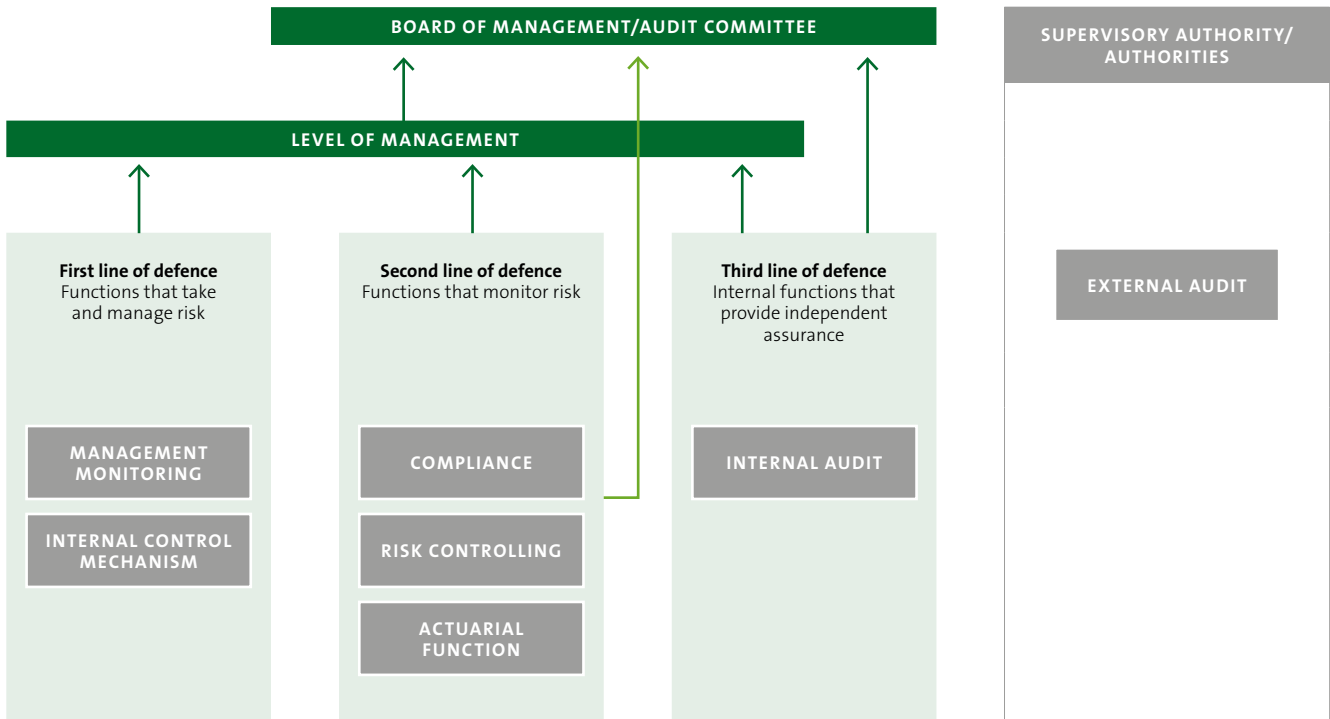
The risk assessment includes a holistic appraisal of the information obtained from risk analysis in order to ensure that the Board of Management can make risk-informed decisions.

The Board of Management is provided with the results of our functional risk models on a monthly basis, and with the results of our internal model on a quarterly basis. In line with our risk profile, this information is presented by division, undertaking or risk taker, as well as by risk category. The limit and threshold system relates to risk categories in our internal model and the limitation of divisions.

Along with the fundamental objective of adequate capitalisation and balanced risk taking, the immunisation of the Group as a whole against financial contagion risks is also a key objective. The goal here is to make the core of the HDI Group as robust and resilient as possible against adverse developments.

The effectiveness of our models has thus been confirmed by several external studies (conducted by supervisory authorities, rating agencies). In other words, the internal control system's three lines of defence have been supplemented by the additional assurance offered by the supervisory authority and external auditors.

THE THREE LINES OF DEFENCE FROM THE SUPERVISOR'S AND EXTERNAL AUDITORS' PERSPECTIVE



External auditors include the auditors of the financial statements, who under Solvency 2 also have to issue an audit opinion on the solvency balance sheet, and the supervisory authority, which audited the risk management system for compliance with Solvency 2 requirements in a pre-application phase lasting several years.

Solvency 2 also saw the supervisory authority introduce the role of the key functions. The key function for risk management is the independent risk controlling function. The tasks associated with this function are performed at the HDI Group by the Chief Risk Officer, who has been furnished with a number of powers. In particular, the Board of Management obtains the CRO's opinion before making important decisions

Risk reporting

Our risk reporting aims to provide the Board of Management and the Supervisory Board with systematic and timely information about risks and their potential effects, to strengthen the risk culture and to ensure smooth internal communication about all material risks as a basis for effective decision-making.

By their nature, all the reports focus on aspects of risk strategy. We also utilise a range of short-notice reporting formats in order to provide up-to-date information on the latest developments (e.g. concerning the capital market, large losses). In this manner, the complementary reporting formats enable risks and events to be analysed and addressed in a timely manner.

Rules governing the content and frequency (e.g. unscheduled reports) of reporting are contained in corresponding guidelines. Both documentation and the reporting process are subject to reviews by Auditing and the supervisory authority.

Own Risk and Solvency Assessment (ORSA)

We conduct an own risk and solvency assessment (ORSA) every year. This report provides a holistic overview of the undertaking's risk and solvency position. The focus here is on a forward-looking perspective, since the assessment combines the undertaking's five-year economic planning with its latest model results and associated planning measures. The forward-looking section of the ORSA 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. This forecast is embedded in the Group's medium-term planning process.

In addition to this medium-term planning, we use the results of the risk assessment when deriving risk budgets and defining limits and thresholds. These are set in a manner that ensures that the Group's target capital adequacy ratio can still be achieved even if they are fully utilised.

A report on the results of the ORSA (including the forward-looking elements) is produced at least once a year. This report, along with the key methods and assumptions underlying its observations, is discussed in depth and critically examined by the full Board of Management. If its insights indicate a need for action, the process owner in question is notified and implementation of the associated measures is monitored. The Board of Management approves the final report on the ORSA.

B.4 Internal control system

Description of the internal control system

We view the internal control system (ICS) as an integral component of enterprise management. The ICS is designed to help the HDI Group achieve its business goals and targets efficiently, even as it remains compliant with all regulations and takes measures to reduce risks or avoid them completely.

The ICS consolidates all process-integrated and process-independent monitoring measures (internal controls and organised safeguards) designed to ensure that the organisation and its processes function properly. It is deployed at all levels throughout the Group and focuses on process risks and the controls used to monitor them. Group guidelines are used to ensure that the ICS is applied consistently throughout the Group.

The procedures and measures utilised in the ICS aim to ensure:

- Compliance with the statutory regulations and other regulations, contracts and internal rules
- Due and proper performance of our business activities
- Asset preservation
- Ensuring proper and reliable financial reporting
- The prevention and detection of any misappropriation of assets
- A focus on, and particular consideration of, material risks
- The effectiveness and efficiency of risk monitoring and risk avoidance measures within business processes
- The accurate presentation of the undertaking's assets and liabilities, financial position, financial performance and risk position.

The “Three Lines of Defence” concept is essential to the Solvency 2 system, and it also forms the organisational basis for the Group'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 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 Group function. As part of its auditing activities, the internal audit function monitors the effectiveness and efficiency of the internal control system, the risk management system and the other key functions.

The compliance function

HDI V.a.G. has outsourced the Group's compliance function to HDI AG. The Chairman of the Board of Management of HDI V.a.G. has been appointed as the outsourcing officer and as such is responsible for monitoring the Group's compliance function. BaFin has been notified of the Chairman's responsibility for this function. The primary insurers in Germany and several other companies have also outsourced their compliance function to HDI AG at individual company level.

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 risk control, early warning, advisory and monitoring measures that are included in the Compliance Plan. Interfaces with the specialist departments responsible for certain compliance issues, compliance officers from abroad and the other three key functions ensure that the relevant information is communicated with the compliance function.

A code of conduct serves as the linchpin for intragroup compliance regulations. It contains the key principles and rules for ensuring that all 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 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 of conduct 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 issues:

- Preventing corruption
- Compliance with Antitrust law
- Sales and product compliance
- Financial sanctions/embargoes
- Investment compliance
- Capital market compliance
- Anti-money laundering
- Sustainability
- Corporate compliance

The compliance guidelines are reviewed regularly to ensure they remain up to date, and are amended and publicised if necessary. 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 produces an annual compliance report that describes 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 Group not including Hannover Re

HDI V.a.G. has outsourced the internal audit function required at Group level in accordance with section 275(1) sentence 1 of the Insurance Supervision Act (VAG) in conjunction with section 30(1) of the VAG to HDI AG. The internal audit function operates as an independent corporate department (Group Audit) at Talanx. The Chairman of the Board of Management of HDI V.a.G. has been appointed as the outsourcing officer for Group Audit and BaFin has been notified that he is responsible for this.

The primary insurers in Germany (and individual companies in the rest of the EU) have also outsourced their internal audit functions to HDI AG. All of these companies have also appointed outsourcing officers for their internal audit functions and have notified the supervisory authority of them.

Monitoring by the internal audit function focuses on protecting business assets against losses of all kinds for the long term, on supporting the undertaking's business and operating policy – including its risk strategy and the business organisation established for it – and on ensuring the undertaking'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 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. 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 refers to the fact that the internal audit function has 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 or flaws 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. Factors considered to have an impact on risk, and which are therefore taken into account in audits, include:

- The inherent risk represented by the areas and topics covered by the audit
- The results of the latest audits
- Legal and organisational changes that relate to the areas and topics covered by the audit
- Knowledge gained from attending meetings of governing bodies 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 independent 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. The most recent external assessment in the third quarter of 2023 confirmed adherence to the defined standards and full compliance with professional requirements.

Hannover Re

The internal audit function of the company is performed by Group Audit (GA). GA performs independent, objective audit services, including valuations and recommendations. In particular, these services help to safeguard the external and internal compliance of processes, the internal control system (ICS) and other areas of the company, to identify potential for improvement and thereby to create value added. In addition to auditing, as an internal consultant, GA provides value-adding stimulus in networked cooperation with other units and functions of the company.

The Board of Management ensures that GA is not bound by any instructions in its audit planning, audit performance, reporting or assessment of audit results. To guarantee independence, the Head of GA, who is also the holder of the key function for Internal Audit of the company in accordance with section 30 and section 47 no. 1 of the VAG, reports directly to the Board of Management. GA staff are not

employed in other areas of the company and only perform activities that are consistent with the Internal Audit Charter. This charter approved by the Board of Management also defines the authorisations of Internal Audit.

The GA team comprises employees with different specialisations, degrees and additional professional qualifications to allow them to cover the wide range of (audit) activities. Employees in GA have a broad mix of professional experience both internally (in particular from underwriting) and externally (in particular from external auditing and consulting). If special capacity or skill requirements arise, GA can also consult with internal peers and refer to corresponding external resources.

GA assists the Board of Management in achieving its goals by using a systematic, risk-oriented approach in audit planning and performance to strategically, independently and objectively assess all divisions, processes and systems of the company and contributing to its ongoing development. Audit results are reported directly to the Board of Management as a whole. The assessment of individual findings and the overall assessment of the audit results are the exclusive responsibility of GA. The classification scheme defined by GA for this purpose guarantees an objective approach to the assessments produced.

Internal Audit reports its audit findings and recommendations to the Board of Management directly. It does this on an ongoing basis in its written audit reports, without delay in the event of severe findings and annually in the GA annual report. The implementation of the recommendations/procedures agreed in the audits is monitored by GA at the due dates.

B.6 Actuarial function

HDI V.a.G. has outsourced the actuarial function that is also required at Group level in accordance with section 275(1) sentence 1 of the Insurance Supervision Act (VAG) in conjunction with section 31(1) of the VAG to HDI AG. Here, the function is located in an independent division that is organisationally included in risk management but where the function operates independently and reports directly to the Board of Management. At HDI V.a.G., the Chief Financial Officer acts as the outsourcing officer for the actuarial function; the supervisory authority has been notified of the outsourcing officer's responsibility for the function. At the divisional level, the German companies belonging to the divisions have outsourced the actuarial function for the individual companies to separate areas.

The organisation of the actuarial function is governed by more detailed guidelines that, among other things, document the various roles and responsibilities of the Group and individual functions.

The core tasks for the actuarial function within the HDI Group can be grouped together in the following thematic areas:

Coordination tasks

The actuarial function coordinates activities relating to the valuation of the technical provisions for Solvency 2 purposes. This primarily includes setting technically consistent minimum standards for methods, models and data quality at the Group level. The Group also obtains external expert opinions when valuing the technical provisions. This process is coordinated by the actuarial function.

Advisory tasks

The Group's actuarial function informs and advises the Board of Management from the perspective of the Group as a whole on the situation regarding the reserves, underwriting and acceptance policy, and the appropriateness of the reinsurance agreements.

Monitoring tasks

The actuarial function monitors the entire process of calculating the technical provisions, ensures compliance with the Solvency 2 requirements for valuing provisions, identifies potential discrepancies and ensures that these are remedied.

Supporting tasks

The actuarial function supports the risk management function in its tasks, and particularly regarding issues relating to the internal model and the own risk and solvency assessment (ORSA). It also provides actuarial expertise.

B.7 Outsourcing

Key services of Group-wide functions such as accounting, human resources, IT, operations and sales are performed by HDI AG for the Talanx Primary Group's domestic undertakings. In some cases, the majority of key functions or what are known as "important functions" have also been outsourced to HDI AG. For example, HDI AG provides services for all Talanx Primary Group's domestic undertakings in the compliance, internal audit and actuarial key functions that are required by insurance law and, in part, in the risk management key function.

Talanx AG performs tax services for all Group companies. Talanx AG also provides services in the risk management key function required by insurance law.

The aim of bundling activities at a central service provider was to ensure standardised, high-quality services that can be offered as economically as possible throughout the Group. Bundling the internal audit and compliance key functions at a single company within the Group enables a high degree of professionalism to be achieved and hence ensures that all activities associated with the functions are performed optimally.

Ampega Asset Management GmbH is responsible for managing the Group companies' financial investments and manages their real estate assets. Consolidating all Group-wide asset management expertise in this way allows investment services to be provided in a highly professional and efficient manner. Service provider sometimes exercise the option of sub-delegation. The regulations on service provider apply accordingly and are complied with.

Due diligence is conducted on service providers that are shortlisted for outsourcing contracts as part of the preparatory process – i.e. in all cases before a decision is made. This review serves to clarify whether the service provider in question is suited to performing the tasks to be outsourced.

As a result, due diligence focuses on the following criteria in particular:

- The service provider's financial strength
- The service provider's technical capabilities
- The service provider's personnel capacity, which will enable it to perform the outsourced tasks
- Employee qualifications and reliability
- The service provider's control mechanisms and contingency planning
- Potential or existing conflicts of interest at the service provider that could impair its ability to perform the outsourced tasks

The due diligence process should regularly include at least one and, if necessary, multiple inspections of the business premises occupied by the service provider or providers being considered for the outsourced tasks. The on-site inspection(s) should be supplemented by requests, which should be appropriate in scope and which the service provider(s) under consideration should be able to reasonably meet, for information, explanations and documents enabling an assessment of the above-mentioned criteria in particular. Objective sources, including reports from credit bureaus and rating agencies, must also be used to an appropriate extent in the review, in line with the principle of proportionality. Reviews of Group-owned service providers performed prior to outsourcing can generally be less detailed than those required in the case of external service providers, in view of the principle of proportionality and the Group risk management processes in force at the HDI Group. However, potential conflicts of interest and concentration risks are relevant audit aspects.

The services that have been transferred to the central service providers are linked with the internal control and/or risk management system of the client in question. As part of outsourcing preparations, an analysis is performed with the help of the responsible risk management department to determine whether and how the outsourcing undertaking'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 to another provider following the (scheduled or unscheduled) termination of a service contract. The companies evaluate the risks associated with centralisation both prior to the decision to outsource and during the ongoing outsourcing process. This risk analysis is used to identify appropriate, specific monitoring and control processes in line with the circumstances of the particular case and to draw up requirements for the outsourcing contract in question.

Monitoring committees have been set up to assess the quality of the services provided by the service companies. Both the service providers and the Group companies that have commissioned them are represented on these committees. Along with evaluating the quality of the services provided, the committees aim to facilitate targeted information sharing at a commercial level and to promote a common understanding of the details of the services provided, as well as a discussion of other key issues.

Where no monitoring committees have been set up for services outsourced by HDI V.a.G. to Talanx AG, the service providers in question are monitored directly by the Board of Management member responsible for the task the service provider now performs. In the process, the Board of Management member draws upon the expertise of various units at Talanx AG for support and to validate the service provider's activities.

B.8 Any other information

The structured evaluation of the adequacy of the business organisation as required by section 23 of the Insurance Supervision Act (VAG) in conjunction with section 275(1) sentence 1 VAG, as well as 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, are carried out regularly on the basis of internal guidelines. The adequacy assessment is a decision of material importance for the senior management of the companies concerned, which is why the full management body is responsible for it rather than individual members.

The organisational units responsible for preparing Board of Management decisions initially perform individualised self-assessments.

Having thoroughly deliberated on and appraised the preliminary report, the Board of Management duly found that the business organisation at Group level is designed appropriately and effectively, taking into account the particular risk profile.

All further essential and relevant information on the business organisation of the HDI Group that is required to be reported is already contained in this section (B).

C. Risk profile

The HDI Group's risk profile is characterised by a variety of different aspects, particularly in terms of the respective stakeholder, the time schedule, the confidence level and the analysed risk sources: Risk categories and holdings in risk takers.

Quantifiable risks are defined and calculated on the basis of the changes in the basic own funds, which are defined as the balances contained in the solvency balance sheet over the one-year period stipulated by the supervisory authority. The assets reported in the solvency balance sheet primarily consist of investments, whereas the liabilities mainly comprise liabilities due to future payment obligations to policyholders arising from the insurance business. These two items – market risk and underwriting risk – are the key factors determining the risk profile.

The market risk associated with investments is broken down into various asset classes. For our underwriting activities, it is subdivided into non-life and life premium and reserve risk.

As explained in the introduction, the Talanx Group represents the HDI Group's material risk kernel; to this extent, the details presented refer to the Talanx Group's risk profile.

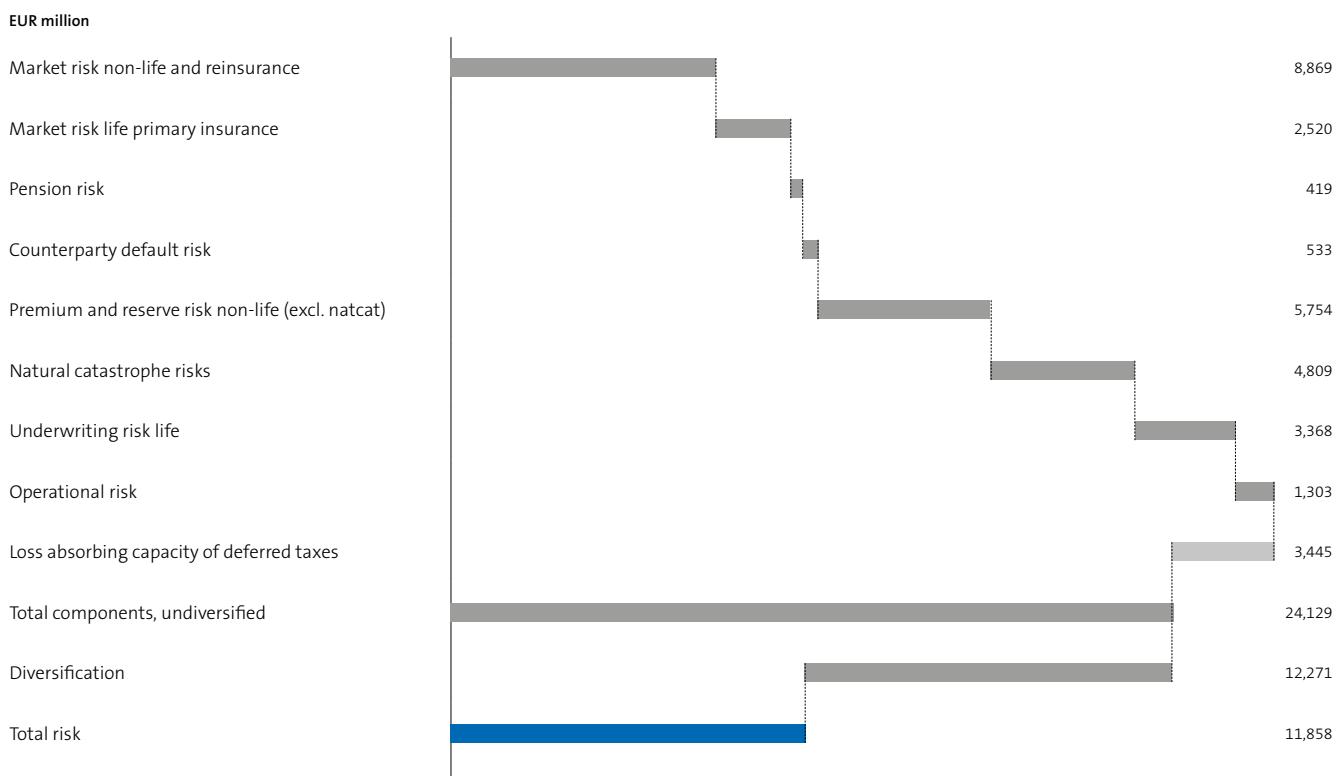
The following items materially influence the risk profile:

- Market and credit risk
- Underwriting risk – non-life, and particularly natural catastrophe risk
- Underwriting risk life
- Operational risk
- Diversification

A variety of risk factors are allocated to the risk categories in TERM. This makes it possible to forecast not only changes in individual risk categories over time but also how these behave collectively. This collective behaviour has a significant impact on diversification.

The following graphical representations of the risk profiles give an impression of the materiality of the risks involved and of any risk concentrations..

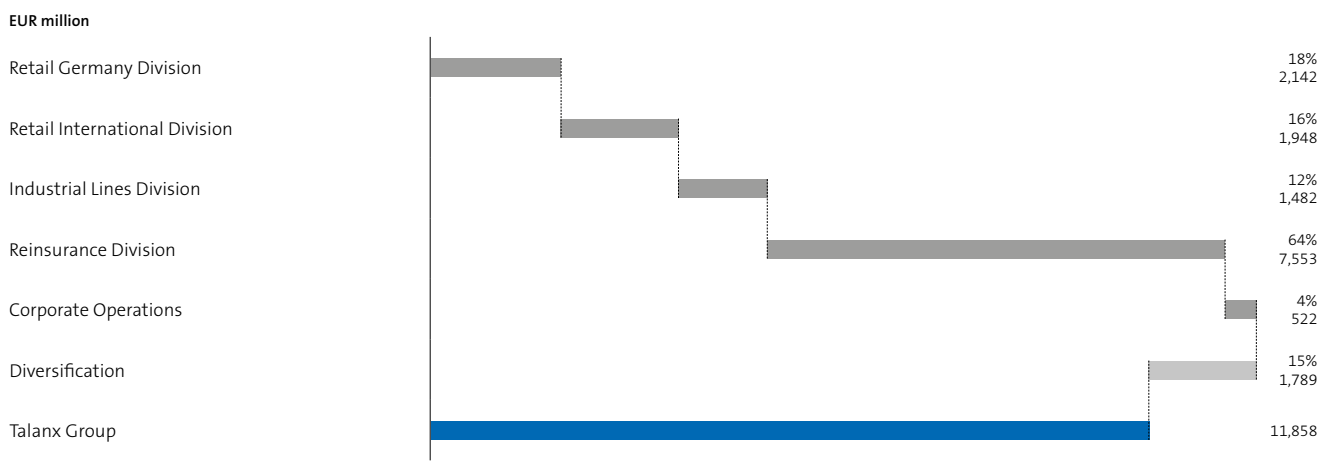
TALANX GROUP'S SOLVENCY CAPITAL REQUIREMENT BY RISK CATEGORY (ECONOMIC VIEW)



The diagram shows that diversification is particularly important for assessing the overall risk. This is due to our geographical diversity and the diversity of our business (see section A.2). These lead to a risk reduction due to diversification of approximately 51%. As the key risk categories shown above are only loosely correlated, this high degree of diversification is well founded and is based on intrinsic rather than on theoretical model considerations.

At Group level, we focus not only on the risk categories but also analyse the risk profile for our subsidiaries, which are presented by division (the management unit concerned). The following diagram gives an overview. The nature of diversification given in this presentation differs to that in the previous graphic, as diversification in the individual divisions has already been taken into account in the risk categories for the division concerned.

RISK PROFILE BY TALANX DIVISIONS (ECONOMIC VIEW)



The limit and threshold system is used to restrict and manage risks throughout the various risk categories and divisions. The main purpose here is to achieve the targets set out in the risk strategy (e.g. risk-bearing capacity).

C.1 Underwriting risk

Underwriting risk refers to the danger of an unexpected negative change in the value of the insurance liabilities in the solvency balance sheet. Such deviations may be due to random chance, error or changes in the assumptions underlying the calculation (e.g. biometrics, loss amounts, payout duration or loss adjustment costs).

Exposure to such risks essentially depends on the size of the technical provisions and on the type of underlying insurance business concerned (life primary insurance, property/casualty primary insurance, reinsurance). As a result, it is spread across the Group, particularly in geographical and divisional terms.

We assess underwriting risk using TERM, as described in section E.4. We make a distinction between the following material risks:

- Underwriting risk – non-life, including:
 - Premium and reserve risk excl. NatCat
 - Natural catastrophe risks
- Underwriting risk life

In this context, we see a potential risk concentration in the area of natural catastrophes in particular. We accommodate this in several ways, including by using standardised Group-wide scenarios in the model and by setting appropriate limits and thresholds. We also define specifications for other global events such as pandemics, in order to model any related concentration effects.

In addition to claims analysis, actuarial modelling, selective underwriting, specialist audits, regular review of the claims experience and limits and thresholds for managing, capping and monitoring risk, appropriate reinsurance cover is a material risk mitigation technique.

Our risk analyses regularly determine the sensitivity of our capitalisation ratios to a 200-year loss from natural catastrophes. According to the analyses performed as at 31 December 2023, such an isolated event reduced the CAR (Talanx) by 11 percentage points and the Solvency 2 ratio excluding transitional (HDI Group) by 6 percentage points.

Supplementary information about the individual underwriting risks is provided below.

Underwriting risk – non-life

Reserve risk

Reserve risk refers to unexpected negative changes in the value of insurance liabilities that impact the loss adjustment amount. The cause for such an unexpected change may in particular be the loss amount, the payout duration or loss adjustment costs. Any loss events that occurred before the reporting date are taken into account in the reserve risk.

In order to manage the risk, the undertakings take into account not only the claims information provided by their clients but also insights from their own claims investigations and experience.

Additionally, to reduce the risk of under-reserving, the level of reserves is reviewed regularly, including by external actuaries, and external reserving reports are commissioned.

Premium risk

Premium risk refers to unexpected negative changes in the value of insurance liabilities arising from fluctuations in the occurrence, frequency and severity of insured events. In contrast to reserve risk, premium risk is used to accommodate loss events (with the exception of natural catastrophes) that may take place after the reporting date. In the context of premium risk, expected premium income is compared to future loss events.

Natural catastrophe risks

Like premium risk, natural catastrophe risk deals with future loss events. Such risk is handled separately, due to the possibility of an extremely high impact on the loss events due to natural disasters. A standardised global event set has been developed to support the analysis of such natural-hazard events (extreme scenarios and accumulations).

Licensed, scientific simulation models are used to estimate the material catastrophe risks, and supplemented by the experience of the various technical areas.

Based on the figures calculated most recently, the estimates of the impact of the following accumulation scenarios of natural hazards on Group net income are as follows:

ACCUMULATION SCENARIOS INCLUDING NON-CONTROLLING INTERESTS, EFFECT ON OWN FUNDS¹

EUR thousand	2023
250-year loss Hurricane US	-2,448,742
250-year loss Flood Europe	-2,069,321
250-year loss Earthquake US West Coast	-1,707,032
250-year loss Winterstorm Europe	-1,588,154
250-year loss Earthquake Chile	-1,546,914
250-year loss Earthquake Europe	-1,406,743
250-year loss Earthquake Japan	-1,132,862

¹ Actual developments in the area of natural hazards may differ from model assumptions.

Other accumulation scenarios are also regularly tested. In addition, carefully and individually selected reinsurance cover is taken out to protect against peak exposure from accumulation risks. This enables

the Group to effectively limit large individual losses and the impact of accumulation events and thus make them plannable.

In order to restrict concentration risks, the maximum permissible natural catastrophe risk is limited by hazard regions at a Group and divisional level. The risk modelling and business planning interact closely to achieve this.

Loss expectations are expressed in the context of business planning partly through the large loss budget. The following table shows the large losses (losses over EUR 10 million gross in primary insurance or reinsurance) in 2023 and the large loss budget for the Talanx Group:

LARGE LOSSES AND LARGE LOSS BUDGET (NET)

EUR thousand		Primary insurance	Reinsurance	Talanx Group
2023				
Storm and hail, Italy	18–27 Jul	41,041	313,100	354,141
Earthquake, Türkiye	06 Feb	44,757	270,099	314,856
Hurricane “Otis”, USA/Mexico	22–25 Oct	28,706	142,172	170,878
Forest fires Maui, Hawaii, USA	08–10 Aug	–	96,804	96,804
Earthquake, Morocco	08 Sep	–	73,479	73,479
Cyclone, “Gabrielle”, New Zealand	10–17 Feb	188	67,126	67,314
Storm “Lambert”, Germany	19–23 Jun	47,935	12,741	60,675
Flood Auckland, New Zealand	27 Jan–06 Feb	–	46,820	46,820
Heavy rain, Slovenia/Austria	03–07 Aug	15,713	28,339	44,052
Storm and flood, Australia	23–28 Dec	225	43,800	44,025
Tornados and storm Midwest, USA	30 Mar–02 Apr	–	36,571	36,571
Storms “Erwin” und “Denis”, Germany	24–30 Aug	17,194	16,597	33,791
Typhoon “Doksuri”, China/Taiwan	28 Jul	–	30,244	30,244
Storm “Zoltan”, Europe	23–31 Dec	8,751	20,000	28,751
Hurricane “Idalia”, USA/Mexico	28–31 Aug	1,500	27,175	28,675
Storm “Daniel”, Türkiye/Greece	05–12 Sep	27,818	–	27,818
Storm, “Ciaran”, Europe	01–04 Nov	224	27,497	27,721
Rain and flood, Italy	16–22 May	–	27,136	27,136
Forest fires, Chile	01 Feb–31 Mar	5,515	19,169	24,683
Tornados, USA	24–27 Mar	9,272	11,107	20,378
Storm “Ophelia”, USA	28 Sep–03 Oct	10,000	–	10,000
Tornados and storm North Carolina, USA	19–23 Jul	–	8,988	8,988
Tornados and hail, USA	14–20 Apr	–	8,385	8,385
Forest fires West Kelowna, Canada	15–31 Aug	–	7,066	7,066
Hail and storm, USA	01–04 Mar	–	7,061	7,061
Tornados and storm Missouri, USA	03–06 Apr	–	6,225	6,225
Storm, Brazil	02 Apr	4,792	–	4,792
Total natural disasters		263,630	1,347,701	1,611,331
Property losses		237,422	197,565	434,986
Aviation losses		25,189	36,935	62,124
Transport losses		21,052	13,845	34,897
Credit losses		–	24,590	24,590
Liability losses		–	–	–
Cyber losses		–	–	–
Total other large losses		283,663	272,935	556,597
Ukraine war losses		–	–	–
Total large losses		547,292	1,620,636	2,167,928
Large loss budget		475,000	1,725,000	2,200,000

Total large losses (EUR 2,167,928 thousand) were within the large loss budget in financial year 2023.

Underwriting risk life

In life insurance, insurance policies commit the insurer to pay either a lump sum or a regularly recurring benefit. In classic life insurance, the premium is calculated on the basis of an actuarial interest rate and of a number of biometric factors such as the age of the insured person at policy inception, the policy period and the sum insured. The main insured events are the death of the insured person or the maturity of the policy (survival).

Typical risks in life insurance and life reinsurance are associated with the fact that policies grant and/or reinsure guaranteed long-term benefits. Whereas the premium for a given benefit is fixed for the entire policy period at the inception of the life insurance policy, the underlying bases for calculation such as biometric assumptions (i.e. the assumptions relating to the insured person such as mortality), the exercise rate for the repurchase option and the costs may change. With the exception of the interest rate, which is allocated to market risk, the impact of these possible deviations from the underlying actuarial assumptions on the calculation of own funds is referred to as underwriting risk and is measured with TERM, as described in section E.4.

Underwriting risk – life – for the Group is heavily influenced by the biometric risks of the Life/Health Reinsurance segment. The following comments therefore apply primarily to the Reinsurance Division.

The aim is to offset biometric risks. Also, this division is exposed to lapse risks, as the payment flows resulting from the reinsurance contracts also depend on the policyholders' lapse behaviour. As the cedants' acquisition costs are partially pre-financed, counterparty default risk is also of material significance. Above and beyond this, the Reinsurance Division and thus also the HDI Group are exposed to catastrophe risk, particularly in relation to events with a large number of fatalities in the (re-)insurance portfolio, such as the COVID-19 pandemic.

Reserves are determined on the basis of validated biometric actuarial assumptions, taking the reports from the cedants into account. The appropriateness of the biometric actuarial assumptions that are used and any lapse assumptions are reviewed continuously and adjusted, if necessary. This is performed using the undertaking's internal experience data and market-specific findings. The current life (re)insurance risk profile is dominated by mortality and longevity risk. This is due to the fact that a proportion of the contracts must pay death

benefits while others must pay survival benefits. The size of the reinsurance annuity portfolio contributes to diversification within Life/Health Reinsurance. The diversification effect between mortality and longevity risk is calculated prudently, as the policies are usually arranged for various regions, age groups and persons. Morbidity risks also play an increasingly important role.

Diversification is a core management tool. The aim is to achieve the widest possible risk spread across different risk classes and regions. Pricing incentives are used in reinsurance contracts in order to further increase diversification.

Quality assurance measures guarantee that the reserves calculated by cedants in accordance with local accounting principles satisfy all requirements with respect to the calculation methods used and assumptions made (e.g. the use of mortality and morbidity tables, and assumptions regarding the lapse rate). The assumptions used are also reviewed and, if necessary, revised using experience data on an ongoing basis.

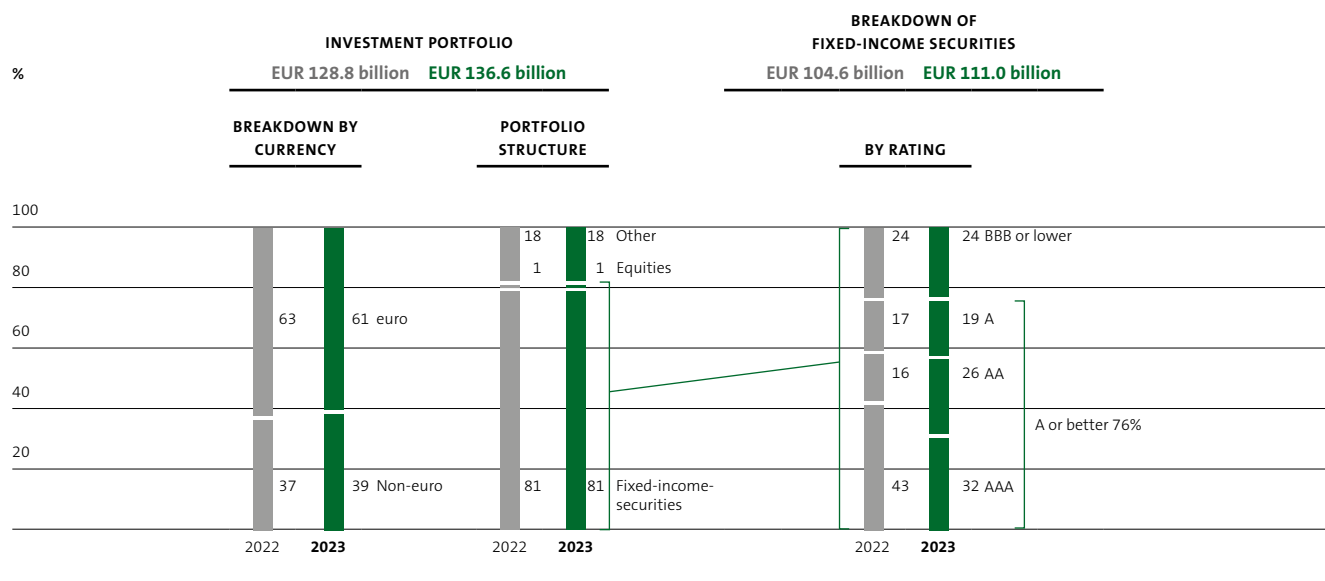
Concentration effects occur mainly in the case of catastrophe risk and in the German life primary insurance market, where several HDI Group companies are active. These effects are included in the risk assessment using shared scenarios for biometric risk factors that are specified by the Group.

C.2 Market risk

One aspect of market risk involves the unbalanced net, consisting of fluctuations in the value of investments on the asset side; effects on the underwriting risk also 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.

Exposure to these risks is influenced in particular by the structure of the investment portfolio. The following table shows the HDI Group's portfolio, broken down by currency, investment class and rating according to measurement under IFRS for annual financial statements.

HDI GROUP PORTFOLIO BY CURRENCY, ASSET CLASS AND RATING



The majority of our investments are denominated in euro, whereas the US dollar dominates in the non-euro area.

The portfolio is clearly dominated by fixed-income securities, 76% of which have at least an A rating. We selectively supplement bonds with very good credit quality and long durations with high-yield bonds with short maturities. Government bonds account for 51% of

fixed-income securities. In contrast to the procedure used in the standard formula, they are modelled in TERM with a default risk exposure.

The following table provides an overview of our investments in fixed-income securities from issuers based in countries with a rating of less than A-

EXPOSURE TO BONDS WITH A RATING OF LESS THAN A-

EUR million	Rating ¹	Government bonds	Semi-government bonds	Financial bonds	Corporate bonds	Covered bonds	Other	Total
31.12.2023								
Italy	BBB	3,080	—	649	450	243	3	4,425
Brazil	BB	1,122	—	81	295	—	37	1,535
Mexico	BBB	390	2	149	297	—	—	837
South Africa	BB	112	—	3	139	—	2	256
Hungary	BBB	97	—	15	23	—	—	134
Türkiye	B	73	—	13	9	—	—	96
Russia	SD ²	20	—	1	9	—	—	30
Other BBB+		70	—	29	49	—	—	149
Other BBB		316	336	75	267	—	—	993
Other <BBB		447	206	127	175	—	—	956
Total		5,726	544	1,142	1,713	243	42	9,410

¹ External issue ratings (Standard & Poor's, Moody's, Fitch or another rating agency appointed by Talanx [ECAI – External Credit Assessment Institution]).

Where external issue ratings are available from more than one agency, the second-best rating is used.

² Selective default based on Ampega internal rating.

Holdings of government bonds in countries with a rating of less than A- account for 4.2% of the Group's assets under own management. Within this category, there is a certain concentration on Italy (and especially on government bonds, which are held by the Italian subsidiaries).

The restrictive monetary policy of the ECB and the Fed, and the associated cooldown of economic activities in the eurozone and the United States, caused a decline in observed inflation over the course of 2023 and in future inflation forecasts. In expectation of forthcoming interest rate cuts by the central markets, the interest markets began anticipating this development in the fourth quarter of 2023.

The decline in interest rates had a positive impact on the valuation reserves of investments. However, this effect is to be considered from an asset-liability perspective for the HDI Group. For long stretches of 2023, higher interest rates had a positive effect on new investment and reinvestment activity, which was at a higher level compared to preceding years.

Our investment strategy therefore results in a relatively low-risk portfolio overall. In light of the volume of the portfolio, market risks are still highly significant for the risk profile of the Group.

We analyse market risks using TERM as described in section E.4. The primary material risks in this context are investment credit risk. In addition, some companies assessed using TERM have a significant exposure to interest rate risks. Within market risk, we also include real estate, inflation and currency risk as well as equity risk (mainly listed equities and private equity funds).

We map the risk concentration in a model which contains not only the pure effect of the concentration of issuers, but also the impact of the correlation of economic and geographical interactions between issuers.

In order to reduce market risk, we rely on a corresponding investment policy, the application of the principles of commercial prudence and on appropriate risk management mechanisms, especially our limit and threshold system.

Investment policy goals

To safeguard the interests of our policyholders and to accommodate future capital market requirements, we align our investment policy with the following goals:

- Optimising the return on investment while at the same time maintaining a high level of security
- Ensuring that liquidity requirements are satisfied at all times (solvency)
- Diversifying (mixing and spreading) risk to mitigate concentration risk

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 the Group invests exclusively in assets and instruments whose risks we 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. Should potential conflicts of interest arise, mechanisms are in place to ensure that investments are made in the interests of policyholders and beneficiaries.

Additionally, when managing market risk, we do not rely exclusively on external ratings, but validate and mirror these using our own internal appraisals. The risk indicators deployed and the limit system ensure continuous 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 as far as possible. 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 arrive at a decision and how to assess whether the Group is able to make and manage such investments. We also exercise the necessary prudence in relation to investments in derivatives, structured products and assets that are not admitted to trading on a regulated market, and maintain such assets at an appropriate, risk-adequate level.

Having assumed the function for the respective companies, Risk Controlling at Ampega Asset Management GmbH monitors compliance with the ratios and limits set in internal guidelines. Any significant change in investment guidelines or investment policy must be approved by the committees of the respective company. These investment guidelines are reviewed each year and any changes are likewise approved by the committees.

Market risk is primarily limited using a system of limits and thresholds and our investment guidelines, and is continuously monitored. SCR budgets are allocated to the market risk category at Group and divisional level. They are broken down into greater detail for implementation using appropriate operational management metrics. In addition, structural limits are set in order, for example, to cap the contribution that individual issuers can make to counterparty risk.

Utilisation of specific Group limits is also monitored by Group Risk Management and regularly reported to the Board of Management.

Interest rate risk

Our portfolio of fixed-income securities is exposed to interest rate risk. Declining market yields lead to increases in market price while rising market yields cause it to fall. Lower interest rates can also reduce investment income from bonds. Income decreases in phases of declining interest rates or periods of sustained low rates.

Life insurance policies in particular sometimes have very long terms. Since the capital market offers a limited supply of long-term fixed-income securities, it is not always possible to match the maturities of these interest rate liabilities. As a result, fixed interest rates on the assets side may regularly have a shorter term than those on the liabilities side (this is known as a duration mismatch or an asset-liability mismatch).

The products offered by life primary insurers may include guaranteed interest rates. This entails a potential risk if current interest rates are significantly lower than the discount rate used to calculate the insurance benefits. In this case, the interest income generated may not be sufficient to cover the interest cost.

If interest rates remain low or even decline, the reinvestment risk for life insurance companies with classic guarantee products, which is already considerable, will continue to rise. In this case it will become increasingly difficult to generate the guaranteed return. The main ways in which the Group mitigates this interest guarantee risk are by regularly analysing its assets and liabilities, constantly monitoring its investment portfolios and the capital markets, and taking appropriate measures to manage the situation. Interest rate hedges such as forward purchases are also used to a certain extent.

Above and beyond this, traditional life insurance companies are exposed to the risk of a rapid and substantial increase in interest rates, due to the rules on guaranteed repurchase values when insurance contracts are terminated prematurely. Thus in certain scenarios with increasing interest rates, the fair value of the investment could be lower than the guaranteed repurchase value.

This environment also poses risks for property insurance. Rising market yields lead to decreases in the market price of the fixed-income securities portfolio. If the insurance undertaking required liquidity on an ad hoc basis, liquidity procurement can have a negative impact on net income.

When developing new “modern classic” products with significantly more restricted guarantees, we took account during development of the impact that the individual products would have on the Solvency Capital Requirement cover and were able to tweak the risk profile to improve this.

As part of risk management, we allocate the risk arising from changes in the risk-free interest rate term structure (depending on the currency) to the interest rate risk and so this is included in the market price risk (ALM-VaR). The risk of changes to the credit spread is also allocated to market price risk. Change to a credit rating is included in credit risk (CVaR, see following section).

Investment credit risk

The term credit risk here comprises the following sub-risks: migration and default risk and correlation and concentration risk. While migration and default risk can be quantified at the level of the individual assets, correlation and concentration effects can be observed only in the context of a specific portfolio. Dependencies on various issuers' credit quality is shown via correlations. The correlation and concentration risks measures the concentration of investments with individual issuers, taking into account these dependencies on credit quality.

These risks are mainly limited using the limit and threshold system, and are continuously monitored. This is done by setting limits at portfolio, issuer/counterparty and in some cases at asset class level, ensuring a broad mix and spread in the portfolio. Exceeding these limits triggers predefined escalation processes. Issuer credit quality is the key criterion when deciding whether to invest. Credit quality is analysed on the basis of the Group's own credit risk analyses, which are supplemented by ratings from external agencies. An early warning system based on market information (and in particular on credit spreads and equity prices) has been put in place to spot the signs of a crisis at undertakings at an early stage and to identify potential migration risks.

Sensitivity to market risk

Since market risk is of considerable significance for the Group's risk profile, we perform a variety of sensitivity analyses in this area in order to analyse the impact of larger market movements on the SCR and our own funds.

The following graphic shows the results of our sensitivity analyses detailing the impact of changes in the key drivers, the underlying risk-free interest rate and the spreads, as well as of fluctuations on the equity markets, on the ratios in the economic view and the regulatory view excluding the transitional (Solvency 2 view).

EFFECT OF RISK FACTOR STRESSES ON THE CAPITAL ADEQUACY RATIO (CAR) AND SOLVENCY 2 RATIO

EUR thousand	Economic view (Talanx Group)			Solvency 2 view (HDI Group, regulatory view excluding transitional)		
	BOF	SCR	CAR (%)	EOF	SCR	Solvency 2 ratio (%)
Basis	30,083,271	11,857,981	254	25,813,457	12,026,294	215
Equity markets –30%	29,815,952	11,857,981	251	25,546,377	12,026,294	212
Equity markets +30%	30,358,171	11,857,981	256	26,080,486	12,026,294	217
Credit spread +50 bp ¹	29,229,853	11,824,369	247	25,217,242	12,026,254	210
Interest rate –50 bp	30,065,771	12,031,129	250	25,799,232	12,379,560	208
Interest rate +50 bp	29,961,583	11,767,772	255	25,677,353	11,912,430	216

¹ Corporate and government bonds.

Section C.3 Credit risk contains a description of the counterparty default risk that is not already contained in the market risk (e.g. reinsurance default risk).

C.3 Credit risk

Credit risk within the meaning of the regulatory reporting structure is used to account for possible losses arising from an unexpected default or a deterioration in the credit quality of counterparties and debtors (counterparty default risk), insofar as they are not already included in market risk. In section E.2 this category is designated as “Credit risk (counterparty default risk)”, in agreement with the supervisory authorities.

The exposure depends on the extent of the cooperation with the relevant counterparties. For the HDI Group and its subsidiaries, the counterparty default risk associated with reinsurers is material. This also includes the risk of default by retrocessionaires at Hannover Re. We analyse this risk using TERM, as described in section E.4. The portion of the Solvency Capital Requirement attributable to this risk is comparatively low, both for the Group and for our divisions. However, we pay particularly close attention to this issue in our risk management processes, as we see substantial correlations with other risk categories. For example, the default of a significant reinsurer coupled with the occurrence of a large loss could have relatively severe effects on the situation at affected subsidiaries. Standardised scenarios for reinsurance defaults are specified in the model at Group level in order to map concentration risks.

Group-wide instructions and guidelines have been implemented to mitigate the risk of default for accounts receivable from reinsurers and retrocessionaires. Our reinsurance partners are carefully selected by security committees, which are staffed by experts, and their credit quality is continually monitored. A Group-wide rating information system ensures the consistent, uniform use of rating information as at specific reporting dates. To limit concentrations, caps are set on each reinsurance group's share of the provisions for claims outstanding. To avoid or limit default risk on reinsurance business, cession limits are stipulated for individual reinsurance partners and if necessary suitable measures taken to collateralise any receivables or other contractual obligations these reinsurance partners may have.

In primary insurance, contractual reinsurance cessions are basically managed by our internal Group reinsurer Talanx AG using operational security and placement guidelines. Talanx AG, which operates as an active reinsurer, implemented a retrocession structure that comprises both individual retrocessions from original participations in cedants' reinsurance underwriting and Group-wide coverage. In addition to its traditional retrocession arrangements in the Property/Casualty Reinsurance segment, Hannover Rück SE also transfers risk to the capital market.

Reinsurance recoverables on technical provisions are partly secured by collateral received, such as deposits and letters of credit. In cases where we are also a reinsurer for our retrocessionaires, there is still potential to offset defaults against our own liabilities.

C.4 Liquidity risk

We define liquidity risk as the risk of being unable to convert investments and other assets into cash in time to meet our financial obligations as they fall due. Liquidity risk results from the different timing of incoming and outgoing cash flows. In particular, it arises due to inflows from investments and premiums as well as the uncertainty of payments for insurance obligations. At the HDI Group, material obligations arise due to underwriting, the payment of the dividend to shareholders and payments of principal and interest on bonds. Furthermore, material liquidity requirements can arise from payments in conjunction with Group financing, for example on acquisitions of companies, and from reinsurance business.

The operational insurance units are responsible for managing liquidity risk. To do this, they use appropriate systems that reflect the specific features of the Group's different business models. This gives us maximum flexibility in overall liquidity management. Asset/liability management is a key element in the management of liquidity risk in order to appropriately coordinate investments and liabilities. In addition, there are limits and thresholds to manage liquidity risk.

As a rule, the Group generates significant liquidity positions on an ongoing basis because regular premium income accrues well before claims are paid and other benefits are rendered.

Specific minimum limits are in place at individual Group companies for holdings of highly liquid securities, as well as maximum limits for holdings of low-liquidity securities. Minimum limits in particular are based on the timeframe for technical payment obligations. For example, owing to the shorter terms of their underwriting payment obligations, the Group's property/casualty insurers generally have higher minimum limits for holdings of highly liquid securities than life insurers, for which the terms of underwriting payment obligations are usually of longer duration. If risk limits are exceeded, this is immediately reported to the CFOs and to Portfolio Management.

To mitigate liquidity risk at Group level, we regularly produce liquidity planning for Talanx AG and HDI V.a.G. on a one-year and multi-year basis in addition to the ongoing coordination of the maturities of investments and financial obligations. Through forward-looking calculations, we can anticipate risks *ex ante* and initiate countermeasures early on. As a result, a material risk concentration in liquidity is not anticipated at this time. In addition to this baseline scenario planning, in conjunction with a liquidity stress test at Group level we identify any liquidity requirements in the event of a deterioration of the macroeconomic landscape and other adverse scenarios. Partly to cushion any short-term liquidity requirements that occur in the Group, Talanx AG holds a minimum level of liquidity, which is placed in money market investments for selected credit institutes of good credit quality in particular. A further component of liquidity management is the availability of a sufficiently large credit line. Moreover, Talanx AG secures the Group's access to long-term and, if required, also short-term external financing sources. This access is contingent on various factors, such as the general capital market conditions and the Group's own credit rating. Talanx AG's financing options comprise both equity and debt. (IFRS) equity can be generated by issuing additional registered shares. Debt capital is procured by issuing senior and subordinated bonds with a variety of maturities. As the permanent, strategic majority shareholder, HDI V.a.G. receives the majority of the distributed Talanx Group net income, which is used, for example, to form a liquidity buffer to further reduce the liquidity risk of the Group.

We explicitly do not use the "total expected profits included in future premiums (EPIFP)" key indicator for liquidity management. The theoretical amount is given in the annex (template S.23.01, item R0790).

Standard & Poor's has classed the liquidity of both the primary insurance group and Hannover Re as "exceptional".

With regard to the liquidity risk, we expect to be able to comply with even relatively large, unexpected payout requirements in a timely manner.

C.5 Operational risk

The German Insurance Supervision Act (VAG) defines operational risk as follows: "the loss risk that arises from the unsuitability or failure of internal processes, employees or systems or due to external events."

On the one hand, this very general definition, which covers all aspects of the organisational structure and workflows, suggests that any Group-wide, standardised risk management process for this risk category will run up against a range of challenges. On the other, this is itself an opportunity, as the process features numerous interfaces to the participants along the individual lines of defence and is therefore extremely important for implementing an effective risk culture.

Operational risk is an inevitable by-product of doing business; our exposure also depends on our business activities and therefore cannot be avoided entirely.

To identify the operational risks associated with the workflows, we have recorded and described the processes in the Group and assigned them key controls within the internal control system. The quantitative assessment of operational risks uses scenario analysis based on expert interviews/estimates of the frequency and severity of possible loss events. Internal and external operational loss data are used both in support of the assessment and to validate it.

The material categories of operational risk and the respective reduction measures are described below by materiality.

Within operational risks, compliance risks (including legal and tax risks) are the most significant to the Group. This also explicitly includes the risk of legal change. Since Our subsidiaries operate in different jurisdictions and under different supervisory regimes, the Group needs to comply with a large number of regulatory requirements overall. There are also specific requirements that apply to groups. A number of central Group functions, and particularly Compliance and the Legal and Tax departments, monitor the risk situation closely and provide our subsidiaries and technical departments with appropriate advice.

Within the risk of legal change, changes in the official handling of underlying legal issues are addressed, e.g. in tax law on the basis of pronouncements by the Federal Ministry of Finance (BMF). In 2017, the BMF announced a restrictive interpretation of the tax treatment of various securities transactions. Previously, these securities transactions were not only typical, but generally classified as unproblematic under tax law, and were thus performed by the individual companies of the Group in conjunction with their investing activities. A further pronouncement in 2021 further tightened the regulations, though it is possible for them to be relaxed again for the specific securities transactions performed. Based on external legal opinions obtained, it is still assumed with a high probability of occurrence that it will ultimately be possible to defend the Group against these back taxes. To contain the interest rate risk until a final decision is made,

merely as a precaution and without acknowledging a legal requirement, tranches were voluntarily paid to the tax office on the amounts stated in the tax assessments in 2020. The payments made were reported within net investment income in the 2020 annual financial statements. This reporting is currently undergoing legal clarification in terms of the regulatory rules and authorities.

Operational risk also includes the risk of loss that can arise from the potential inadequacy or failure of internal processes, or from inadequate data quality. An effective internal control system, as described in section B, is a key way of mitigating such risks. We have also established Group-wide process management standards that are continuously enhanced. In the process we also regularly identify potential sources of errors in the processes and implement the necessary checks.

Information and IT security risk covers risks that could potentially endanger the completeness, confidentiality or availability of our information or IT systems, for instance in connection with the use of artificial intelligence. In order to do justice to the increasing significance of such risk, we have set up Group-wide information security guidelines and regularly implement communications measures to increase security awareness. Our internal IT service provider is certified to ISO 27001 – Information Security, and external partners are obliged to comply with high standards.

The risk that laws or internal regulations, whether due to negligence or intent, will be infringed by our own employees (internal fraud cases) and/or by third parties (external fraud cases) for personal advantage also falls under operational risk. Here, too, we mainly counter this risk with compliance training and the measures in our internal control system (ICS). For example, Group Auditing may also perform special audits where fraud is suspected.

We also classify outsourcing risk under operational risk: this refers to the risk that arises from outsourcing functions or (re-)insurance activities that could otherwise be performed by the undertaking itself, either directly or as a result of further outsourcing. These risks are integrated into our risk management processes and the Group's ICS. In addition, specific rules for managing the outsourcing process have been drawn up, as described in section B. A significant proportion of the outsourcing relationships entered into by subsidiaries are with other Group undertakings.

We have identified operational risks relating to business continuity and IT service continuity – i.e. the risk that business operations could be threatened or disrupted by natural catastrophes or hazards caused by people. We counter this risk with preventive measures, such as status monitoring of central IT systems, redundant designs, etc. In addition, instruments for handling crisis situations have been set up (e.g. emergency plans, crisis management team at Group level).

Risk concentration can arise from the shared use of service providers, processes and systems by several subsidiaries (e.g. in the field of IT in the case of our German primary insurance companies).

In the internal model, operational risk is analysed and measured on the basis of scenarios derived from expert surveys.

C.6 Other material risks

We have identified emerging risk, strategic risk, reputational risk and model risk as “other material risks”. The common factor among these risks is that they cannot be analysed meaningfully with mathematical models, which means that we primarily have to fall back on qualitative analyses in these cases. Risks analysed in this way are taken into account in the Own Risk and Solvency Assessment (ORSA).

Emerging risks are new risks. The term refers to completely new, previously unknown or recently emerged circumstances whose risk content has not yet been reliably ascertained and whose potential impact is difficult to assess. The term is thereby also used for developing or evolving risks (e.g. climate change) associated with an uncertain loss potential (e.g. political developments, FinTechs/InsurTechs, Blockchain). These risks are often based on trends or structural, long-term developments that indirectly affect the social, technological, ecological, political and economic landscape. For example, global geo-economic confrontations, including the rise in authoritarianism, are one such emerging risk identified annually. Geopolitical tension and armed conflict, as currently witnessed in Ukraine and the Middle East, entail a variety of different risks. For example, as is the case with the war in Ukraine, major risks to the political balance of power can arise, with mounting uncertainty regarding (geo)political developments around the world and in individual countries, resulting in nervous financial and currency markets and increased potential for systemic shocks. The trend risks of artificial intelligence, big data and cyber security are also considered. Furthermore, effects may arise from the spread of new technologies, medicines or materials, which in turn could lead to unforeseeable losses. We identify and evaluate these risks annually with a Group-wide process, involving the experts from various units and functions. We also rely on the support of externally available expertise and external material.

Strategic risks result from potential mismatches between the corporate strategy and the constantly changing general 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, opportunities and risks. We therefore review our corporate strategy and risk strategy annually and adjust our processes and structures as required.

Reputational risk is a risk that causes damage to the undertaking's reputation as a consequence of a negative public image. We use set communication channels, professional corporate communications, tried-and-tested processes for defined crisis scenarios and established operating principles to help manage this risk.

At Group level, model risk receives particular attention. For us, this means the risks associated with inappropriate decisions caused by uncertainty resulting from a partial or total lack of information that affects the understanding or knowledge of an event, its repercussions or its likelihood. To restrict the model risk, we have – among other things – implemented quality assurance measures and a strict model adjustment process. When applying models, judgements are made to a certain extent by management, and inputs used that are based on estimates and assumptions that are included in the model calculations and may subsequently differ from the actual results. To restrict the model risk, we have – among other things – implemented quality assurance measures and a model adjustment process.

Projects generally involve complex tasks, which may thus be subject to specific operational risks (project risks). Project risks can in particular arise in connection with major IT projects.

Sustainability risks (ESG risks) do not constitute their own risk category and can instead arise in all risk categories. This is true in particular of underwriting, investment, operational risk and strategic and reputation risks. For example, assets can lose value as a result of climate change or breaches of social standards can do damage to the company's reputation. The HDI Group counters this by integrating sustainability aspects along its entire risk management process.

In connection with climate change, the HDI Group monitors opportunities and risks in various areas of its business activities. The transition to a low carbon economy and the changes this entails, such as an increase in the price of CO₂ and/or a reduction in emission allowances as well as energy efficiency regulation, could reduce the market value of investments in high-carbon sectors and government bonds issued by countries that are highly economically dependent on fossil fuels and industries that produce high levels of carbon. In

addition, abrupt decarbonization could result in macroeconomic turbulence and uncertainty, prompting higher risk aversion and volatility on financial markets. A rise in the intensity and frequency of extreme weather events can lead to higher risk premiums and lower credit ratings for government or municipal bonds of exposed countries or regions, as well as for other assets (e.g. property, infrastructure). The HDI Group thus uses ESG scoring models for investments to identify risks at an early stage and take appropriate measures to manage these. These can range from reducing the exposure to complete divestment of related investments.

In underwriting, the effects of climate change can increase the intensity and frequency of natural catastrophes. We can respond to this by continually adjusting models and pricing on the basis of observed and assumed developments. At the same time, there may also be new types and patterns of claims in other areas. The HDI Group helps customers adapt their risk management and prevention measures and believes this area of consulting opens up business opportunities. New liability risks can also arise for customers as a result of changes in legislation in connection with climate change. The HDI Group also provides advice here, assesses the impact on the portfolio and makes changes to risk coverage where necessary (e.g. exclusions).

There is also risk potential in connection with possible sanctions violations as a result of extremely dynamic developments. Suitable risk mitigation measures have been taken, such as ongoing reviews of sanctions lists and the sharing of relevant information with operating units such as underwriting, claims and sales.

The Group's other risks also implicitly encompass investment risks that result primarily from earnings performance at subsidiaries, earnings stability in the investment portfolio and a potentially inadequate business balance. HDI V. a. G. is directly involved in the business performance and risks of subsidiaries through profit and loss transfer agreements and dividend payments.

C.7 Any other information

No information above and beyond the details given above in the rest of section C is relevant for understanding our risk profile.

D. Valuation for solvency purposes

Basic Solvency 2 valuation principles

The provisions of section 74ff. of the VAG are applied when valuing assets and liabilities, ensuring a market-consistent approach.

Group companies begin with the fair values used in the IFRS reporting. If no fair values can be taken over from the annual financial statements, the reporting undertaking measures the assets and liabilities concerned using either available market prices or valuation models that comply with the Solvency 2 requirements.

The German life insurance companies in particular have insurance portfolios containing a high level of financial options and guarantees, and these can be measured adequately using stochastic corporate models. These enterprise models use the best possible procedures to measure the fair value of insurance contracts in line with Solvency 2.

Consolidation and impact on intragroup relationships

Group solvency for the HDI Group is defined using the consolidation method (Method 1, section 261 of the VAG), which calculates Group solvency on the basis of the consolidated financial statements. This assumes that the Group is a single economic entity, which means that receivables and payables between companies within the Group may not have an effect on the Group's results. Consolidation ensures that intragroup relationships resulting from receivables and payables between individual Group entities are omitted for Group purposes.

The following table shows the most important revaluation effects resulting from a reconciliation between consolidated IFRS equity and basic own funds.

RECONCILIATION BETWEEN CONSOLIDATED IFRS EQUITY AND THE TALANX GROUP'S BASIC OWN FUNDS

EUR thousand	Including transitional	Excluding transitional
Talanx Group's IFRS equity in accordance with the consolidated financial statements	16,793,481	16,793,481
Elimination of goodwill and other intangible assets	-2,393,232	-2,393,232
Revaluation of investments	488,859	488,859
Revaluation of liabilities other than technical provisions	602,595	602,595
Revaluation of items in connection with underwriting activities	19,932,512	14,851,104
Revaluation of other assets	-104,210	-104,210
Deferred taxes	-4,758,165	-3,150,568
Other effects	—	—
Excess of assets over liabilities (Talanx)	—	27,088,029
Subordinated liabilities	4,138,076	4,138,076
Foreseeable dividends	-1,142,834	-1,142,834
Basic own funds of the Talanx Group	—	30,083,271
HDI V.a.G.	3,485,036	
Basic own funds of the HDI Group before non-availability restrictions	37,042,117	

The HDI Group is consolidated using the full consolidation method. The Talanx Group (risk kernel) and the HDI Group are differentiated by different technical groups, the only difference being the inclusion of the balance sheets for HDI V.a.G. and Hannover Digital Investments GmbH. This ensures a transparent reconciliation from the Talanx Group, as the risk kernel that is the dominant element in economic terms, to the HDI Group.

D.1 Assets

All assets and the valuation methods used to measure them are described on the basis of asset materiality classes. Other liabilities are addressed in section D.3. In line with the concept of “asset classes” (or liability classes), we have structured the following section on the basis of the significance of the individual balance sheet items and the complexity involved in its measurement compared to the consolidated financial reporting in accordance with the IFRSs.

BREAKDOWN OF ASSETS BY VALUATION METHOD

EUR thousand	2023	
	Solvency 2	IFRS
Deferred tax assets	503,725	1,384,327
Net investments (including loans and mortgages)	133,591,729	136,053,642
Assets held for index-linked and unit-linked contracts	14,163,274	12,478,047
Receivables	22,440,025	35,320,624
Other assets	5,833,907	7,347,300

The reinsurance recoverables amounting to EUR 6,845 million are discussed in section D.2 in connection with the technical provisions.

Deferred tax assets

The measurement of deferred taxes under Solvency 2 is described in the remarks on passive deferred liabilities in section D.3 (“Other liabilities”).

Deferred tax assets totalling EUR 504 million were recognised in the solvency balance sheet.

Net investments

The HDI Group’s net investments comprise the following asset classes:

NET INVESTMENTS

EUR thousand	2023
	Equities
Collective investment undertakings	19,262,865
Bonds	98,259,538
Other investments (including loans and mortgages)	15,468,310
Total	133,591,729

The provisions of section 74ff. of the VAG are applied when valuing assets and liabilities, ensuring a market-consistent approach.

When valuing investments within the framework of Solvency 2, we generally use quoted prices in active markets for identical or similar assets and liabilities, adjusting these as necessary. The provisions for

calculating fair value set out in section 74 of the VAG are consistent with the corresponding rules in the International Financial Reporting Standards (IFRSs).

A market is considered to be active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. In addition, an active market must meet all of the following criteria:

- the items traded within the market are homogeneous
- willing buyers and sellers can normally be found at any time, and
- prices are available to the public.

A market is inactive if market liquidity is no longer observable because buyers and/or sellers have withdrawn in full and for the longer term from the market. An inactive market is also indicated where activity can be proven to consist solely of forced transactions, involuntary liquidations, or distressed sales.

The definition of an active market applies to all types of capital investments. In line with this concept, our valuation hierarchy is structured as follows:

- a) “Quoted prices in active markets for identical assets”:
 - Assets that are measured using (unadjusted) prices quoted directly in active markets
- b) “Quoted prices in active markets for similar assets”:
 - Assets that are measured using (unadjusted) prices for similar assets quoted directly in active markets. This method is not used in the Group.
- 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 inputs derived from such prices and market data.
- d) “Inputs not derived from observable market data”:
 - Assets that cannot be measured or can only be measured in part using inputs observable in the market. These instruments are primarily measured using valuation models and methods.

Equities

ASSET CLASS: EQUITIES

EUR thousand	2023
Equities	601,017
Equities – listed	126,873
Equities – unlisted	474,143

Bases for valuation

The value of listed shares is measured on the basis of the most recent available share prices, provided that these were determined in active markets. As mentioned above, a market is considered to be active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Alternative measurement methods are employed if such an active market does not exist or if the shares are not listed. This applies in particular to the reporting of special investment vehicles for alternative investments (e.g. private equity investments), which for business policy reasons at the insurance providers are consolidated as participations in companies established specifically for this purpose. They are therefore considered to be unlisted 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.

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 are equity investments (only an interest in a target investment is usually held); these are included in the measurement 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.

Differences

Equities are measured at fair value both under Solvency 2 and in the consolidated financial statements. Under IFRS 9, equities are classified as "Financial assets measured at fair value through profit or loss" on initial recognition, though the Group largely exercises the option to measure equities at fair value through other comprehensive income. In both cases, as under Solvency 2, they are measured at fair value.

Collective investment undertakings

ASSET CLASS: COLLECTIVE INVESTMENT UNDERTAKINGS

EUR thousand	2023
Collective investment undertakings	19,262,865

Bases for valuation

This balance sheet item is primarily used to report units in investment funds (retail investment funds, AIF¹) and private equity funds in which the investor does not have a controlling interest.

Investment funds are valued at the official redemption price (net asset value).

Methods

The redemption price is regularly calculated and published by the investment company (asset management company) using a defined methodology. Redemption prices 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.

Differences

The difference between the Solvency 2 values and those reported in the consolidated financial statements is primarily due to differences in the way certain investment funds are treated under Solvency 2 (recognition of the fund units) and the IFRSs (look-through approach) in some European Economic Area (EEA) countries.

¹ Alternative Investment Fund

Bonds

ASSET CLASS: BONDS

EUR thousand	2023
Government bonds	50,203,343
Corporate bonds	44,576,207
Structured notes	361,194
Collateralised securities	3,118,794
Total	98,259,538

Bases for valuation

Bonds are measured primarily on the basis of quoted prices in active markets. If no publicly available quoted prices exist, or if the markets from which they are taken are not considered active, the mark-to-model method is employed, i.e. valuation models are used.

The rules for defining an active market are the same as those described in the “Equities” section.

Methods

Market quotations are sourced from selected pricing service agencies, trading information systems and intermediaries who are considered to be reliable (e.g. 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. Exceptions can be made in the case of particular market segments/currency combinations, for example.

If no publicly available quoted prices exist, or if the markets from which they are taken are not considered active, the bonds are measured on the basis of parameters derived from observable market data (including interest rate term structures and spread curves) using appropriate valuation models and procedures, and taking the issuer’s credit rating into consideration. This approach is also used for structured notes and collateralised securities, which will be dealt with in the next two sub-sections.

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 credit risk into account.

Interest rate structure models are used to measure the value of structured notes. Interest rate structure models use stochastic processes to describe the probability distribution of future interest rates, based on a current market state to which the model is calibrated.

The price of the instrument can generally be determined from the probability distribution of future interest rates using algorithms that take the instrument’s payout profile into account.

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.

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

The use of interest rate structure models is based on assumptions that interest rate changes occur in line with certain probability distributions and stochastic processes.

In the case of special types of collateralised securities such as collateralised debt obligations (CDOs) or collateralised loan obligations (CLOs), assumptions are made about prepayment speed and recovery rates.

Differences

The difference between the Solvency 2 values and those reported in the consolidated financial statements is due to the fact that different valuation processes are used for the bonds in some cases. Whereas under Solvency 2 financial instruments – including bonds – are measured at fair value, measurement of financial assets under the IFRSs depends on the category assigned to them under IFRS 9 on initial recognition. Depending on the business model selected – “hold to collect”, “hold to collect and sell”, “held for trading” or “other” – financial assets are subsequently measured either at amortised cost or at fair value. Subsequent measurement at amortised cost leads to differences in comparison to Solvency 2.

There are also differences in the way certain types of insurance contracts are treated under Solvency 2 and in the consolidated financial statements. If the contract types in question are recognised as index-linked or unit-linked contracts under Solvency 2, the investments concerned must be reclassified from that balance sheet item to “Assets held for index-linked and unit-linked contracts”, and the presentation in the solvency balance sheet will differ as a result.

Other investments

ASSET CLASS: OTHER INVESTMENTS

EUR thousand	2023
Property (other than for own use)	5,565,720
Deposits (other than cash equivalents)	2,234,904
Loans and mortgages	3,819,940
Holdings in related undertakings, including participations	3,634,871
Derivatives	158,867
Other investments	54,007
Total	15,468,310

Bases for valuation

The “Other investments” category groups together different types of investments. All of these investments are measured at fair value under Solvency 2, but there are differences in the ways that this is calculated.

In contrast to the consolidated financial statements, property is recognised at fair value (market value) in the solvency balance sheet. Additionally, there are differences between Solvency 2 and the IFRSs as to when property should be considered as held for own use or as investment property. In the solvency balance sheet, properties are classified as investment property if less than 50% of the total space is used by the owner.

The redemption value is generally used to measure deposits under both Solvency 2 and the IFRSs.

The Solvency 2 value for loans and mortgages is fair value, which is calculated including accrued interest using valuation models.

The “Holdings in related undertakings, including participations” item consists primarily of strategic assets (participations in the true sense of the word).

We use the adjusted equity method for non-controlling interests in unlisted companies. If this is not possible, we use the IFRS equity value and deduct goodwill, or an alternative valuation method that complies with the requirements set out in section 74 of the VAG.

The value of financial derivatives (e.g. options or futures) is measured on the basis of quoted prices in active markets. If no quoted prices are available, the theoretical value of the items is measured using recognised procedures.

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 in accordance with the German Real Estate Appraisal Regulation (Immobilienwertermittlungsverordnung) in those cases in which the purpose of ownership is to generate income for the long term.

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. A qualified external appraisal is obtained every three years (for fair value accounting under IFRS) or every five years (for at cost accounting under IFRS) 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.

The theoretical value of loans is measured on the basis of inputs 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 loans without any special structured features. 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 credit risk into account.

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

As far as possible, derivatives are valued on the basis of quoted prices in active markets. 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 theoretical value of the derivatives is measured on the basis of inputs derived from observable market data (interest rate term structures and spread curves, volatilities, spot and forward rates, and other inputs) using appropriate valuation models and procedures. Examples of the valuation methods used include:

- Equity options: Black-Scholes model
- Swaptions: so-called Black-76 model
- Credit default swaps: ISDA (International Swaps and Derivatives Association) model
- Other derivatives without option features, e.g. currency forwards, forward purchases and swaps: present value method

Interim reporting on the value of investment properties uses the fair 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.

The Black-Scholes and Black-76 models are based on the assumption that share prices and interest rates develop in line with certain stochastic processes. The ISDA method is also based on certain stochastic assumptions, as well as assumptions relating to the recovery rates for bonds.

In line with the relevant rules, we measure non-Group participations at their economic value; this should correspond to the quoted price in an active market where such quoted prices exist for non-HDI Group participations.

Differences

There are two reasons for the differences in property valuations between Solvency -2 and the consolidated financial statements. First, there are differences in the way properties are defined as held for own use or as investment property. Whereas under Solvency 2, property is considered to be held for own use if the owner uses 50% or more of the total space, under the IFRSs property is considered to be owner-occupied if more than 10% of the total space is used by the owner. In addition, under IFRS, property is measured on the basis of amortised cost provided that it is not recognised as an underlying object for users of the variable fee approach as referred to by IFRS 17. In the latter case, properties are also recognised at fair value under IFRS.

Another difference between the values under Solvency 2 and those recognised in the consolidated financial statements stems from the different treatment applied to individual derivatives connected with reinsurance contracts. In IFRS, they are unbundled from the insurance contract if certain requirements are met, while in Solvency 2 they are incorporated into the valuation of technical assets and liabilities. Derivatives that are recognised separately in both reporting systems do not exhibit any differences in value because fair value is the main measurement category in both cases and therefore no such differences in value can arise.

Assets held for index-linked and unit-linked contracts

INVESTMENTS HELD FOR EXTERNAL ACCOUNT: INDEX-LINKED AND UNIT-LINKED CONTRACTS

EUR thousand	2023
Assets held for index-linked and unit-linked contracts	14,163,274

This item is also known as “Investments for the benefit of life-assurance policyholders who bear the investment risk”. The changes in the value of the insurance depends primarily on those for the underlying investment funds. The assets in these investment funds are held separately from the other investments. Both these separate assets and the associated liabilities are measured at fair value.

The difference between the Solvency 2 values and those in the consolidated financial statements primarily results from asset values as they relate to investment contracts, as these are recognised as “Other investments” in IFRS, but as “Assets held for index-linked and unit-linked contracts” in Solvency 2.

Receivables

ASSET CLASS: RECEIVABLES

EUR thousand	2023
Deposits to cedants	9,641,569
Insurance and intermediaries receivables	9,742,426
Reinsurance receivables	827,426
Receivables (trade, not insurance)	2,228,604
Total	22,440,025

Bases for valuation

Deposits to cedants consist of receivables due to reinsurers from their customers in the amount of the contractually withheld cash payments by customers. These are measured at their nominal amount under the IFRSs. The IFRS carrying amounts need to be remeasured at fair value under Solvency 2.

Solvency 2 also requires that receivables be recognised at the expected present value of future cash flows.

Methods

The value of deposits to cedants (or deposits from reinsurers) is measured on the basis of the amounts paid or withheld less specific premiums or fees charged by the cedant or the reinsurer, regardless of how far a contract has already progressed. The IFRS values for these deposits are not remeasured. In other words, for reasons of materiality the Solvency 2 value is the same as that under the IFRSs. In addition, the default risk for the reinsurer is taken into account in the Solvency 2 balance sheet.

The Solvency 2 value of the other receivables is derived from the corresponding value under the IFRSs. The receivables are generally measured initially at their full nominal amount in accordance with the IFRSs. If a problem with the debtor's credit quality is reported, the receivable in question is written down to the recoverable amount. This valuation approach is currently also used to determine the carrying amount under Solvency 2.

The other receivables are mainly classified as current receivables, which means that there are no significant discounting effects.

Differences

The difference between the Solvency 2 values and those reported in the consolidated financial statements under "Insurance and intermediaries receivables" and "Reinsurance receivables" is due to the difference in reporting. These items are an underwriting component under IFRS 17, whereas they are reported separately under Solvency 2.

Other assets

ASSET CLASS: OTHER ASSETS

EUR thousand	2023
Intangible assets	—
Cash and cash equivalents	4,646,731
Property, plant & equipment held for own use	1,062,349
Any other assets, not elsewhere shown	122,881

Bases for valuation

Solvency 2 reporting requires the use of the definitions contained in IAS 38 "Intangible assets", including the definition of active markets. Intangible assets are valued at zero unless they can also be sold individually and a defined market price exists for identical or similar intangible assets in an active market.

Cash and cash equivalents consist of deposits, cash at banks and cash-in-hand. These are recognised at their nominal amounts in Solvency 2.

Property held for own use is valued using the same principles as for investment property.

Other assets are measured at fair value in accordance with Solvency 2.

Methods

Property held for own use is measured objectively in the same way as investment property.

Under the IFRSs, operating and office equipment is recognised at cost less depreciation and, if necessary, impairment losses. Low-value assets are written off in full in the year of acquisition. The carrying amounts for operating and office equipment in the IFRS annual financial statements were also used in the solvency balance sheet.

Differences

The differences in other assets between the Solvency 2 values and those in the consolidated financial statements have a number of causes, due to the heterogeneous nature of this item.

First, there are differences in the way properties are defined as held for own use or as investment property. Whereas under Solvency 2, property is considered to be held for own use if the owner uses 50% or more of the total space, under the IFRSs property is considered to be owner-occupied if more than 10% of the total space is used by the owner. In addition, under the IFRSs property is always measured at amortised cost.

The difference with regard to cash and cash equivalents is due to the reclassification of certain overnight (demand) deposits.

Minor reclassifications are another reason for the differences in values.

D.2 Technical provisions

Technical provisions totalled EUR 123.8 billion as at 31 December 2023. The solvency balance sheet (see also template S.02.01.02 in the annex) classifies technical provisions as follows:

- Non-life (excluding health)
- Health (similar to non-life)
- Health (similar to life)
- Life (excluding health and index-linked and unit-linked)
- Index-linked and unit-linked

These categories are also used as line of business categories in this Solvency and Financial Condition Report.

Recoverables from reinsurance contracts and special purpose vehicles total EUR 6,845 million, which corresponds to 6.0% of gross technical provisions. In the solvency balance sheet, recoverables from reinsurance contracts and special purpose vehicles are broken down in line with the above-mentioned categories for technical provisions.

Unless otherwise indicated, this classification format, which aggregates the lines of business into categories in accordance with the method set out in Annex I of Commission Delegated Regulation (EU) 2015/35, is applied throughout section D.2. The annex contains a detailed assignment of the lines of business to the categories.

Unless otherwise stated, there are no material differences within these individual categories in the valuation approach adopted.

In the life (excluding health and index-linked and unit-linked) category, the two lines of business (1) Insurance with profit participation and (2) Life Reinsurance are particularly relevant to the amount of provisions.

The provisions in the non-life (excluding health) category are mainly influenced by the four lines of business (1) General liability insurance, (2) Fire and other damage to property insurance, (3) Motor vehicle liability insurance and (4) Non-proportional property reinsurance.

The individual amounts are shown in the following table:

SOLVENCY BALANCE SHEET – TECHNICAL PROVISIONS

EUR thousand	2023
Technical provisions (excluding index-linked and unit-linked)	103,247,798
Technical provisions — non-life (excluding health)	62,169,526
Technical provisions calculated as a whole	—
Best estimate	60,482,583
Risk margin	1,686,944
Technical provisions — health (similar to non-life)	3,154,612
Technical provisions calculated as a whole	—
Best estimate	3,046,179
Risk margin	108,432
Technical provisions — health (similar to life)	3,807,989
Technical provisions calculated as a whole	—
Best estimate	3,302,335
Risk margin	505,654
Technical provisions — life (excluding health and index-linked and unit-linked)	34,115,671
Technical provisions calculated as a whole	—
Best estimate	32,389,894
Risk margin	1,725,776
Technical provisions — index-linked and unit-linked	20,588,402
Technical provisions calculated as a whole	953,437
Best estimate	19,452,303
Risk margin	182,662
Technical provisions	123,836,200

The table above provided a breakdown of the technical provisions as a first step. The following table reports the recoverables from reinsurance contracts and special purpose vehicles in more detail.

SOLVENCY BALANCE SHEET – RECOVERABLES FROM REINSURANCE CONTRACTS AND SPECIAL PURPOSE VEHICLES

EUR thousand	2023
Non-life and health similar to non-life	6,185,611
Non-life excluding health	6,125,409
Health similar to non-life	60,202
Life and health similar to life, excluding health and index-linked and unit-linked	320,395
Health similar to life	102,998
Life excluding health and index-linked and unit-linked	217,397
Life index-linked and unit-linked	338,610
Recoverables from reinsurance contracts and special purpose vehicles	6,844,617

Bases for valuation, methods and assumptions

The Group's liabilities are valued at the amount at which they can be transferred or settled between knowledgeable, willing parties in an arm's length transaction. In particular, this approach includes a market-consistent valuation of the technical provisions – defined as one that is consistent with the information provided by the financial markets and with generally available data – and calculations that are performed in a cautious, reliable and objective manner. The Group's technical provisions comprise the provisions at the individual companies after adjustment for intragroup business. The individual companies calculate their technical provisions at the level of homogeneous risk groups using actuarial procedures. The latter generally include simulations and deterministic and analytic methods, or combinations of these. The calculations take into account the costs of meeting the insurance and reinsurance obligations.

The value of the technical provisions comprises the sum of the best estimate and the risk margin. The best estimate corresponds to the probability-weighted average of future cash flows, taking into account the time value of money and utilising the applicable risk-free interest rate term structure prescribed by EIOPA as well as the volatility adjustment. The risk margin ensures that the value of the technical provisions corresponds to the amount that another insurance undertaking would demand for assuming and fulfilling the insurance obligations. This methodology is used to take into account the cost associated with making available eligible own funds in the amount of the Solvency Capital Requirement. Diversification effects between companies are not included here.

Where future cash flows from insurance obligations can be reliably replicated using financial instruments, the value of the technical provisions is determined on the basis of the fair value of such instruments. No separate risk margin is calculated in this case. These insurance obligations are recognised as "Technical provisions calculated as a whole" in the solvency balance sheet.

A best estimate is defined for the recoverables from reinsurance contracts and special purpose vehicles. This value is then adjusted to adequately take into account the expected loss from defaults by counterparties.

In the life primary insurance sector in particular, the financial options and guarantees granted to policyholders in their contracts are a major component of the best estimate. Key options for policyholders that are modelled include the following:

- (Partial) termination/cancellation
- Lump-sum option
- Waiver of premiums
- Dynamic increases in existing contracts.

The value of these financial options and guarantees that also contain spread risks is measured using stochastic corporate models on the basis of risk-neutral economic scenarios. These scenarios and the associated discount rates are market-consistent. This approach models the dependency of the portion of the gross surplus that is attributable to shareholders on the undertaking's position. It also takes capital market-driven behaviour on the part of policyholders and opportunities for compensating adjustments (e.g. management decisions regarding investments or profit participation) into account. This allows the financial options and guarantees granted to policyholders in their contracts to be measured as part of the technical provisions.

The information given above demonstrates the importance of assumptions in the valuation of technical provisions. These have a significant influence on the amounts recognised. Key assumptions in this area are as follows:

- Economic developments, and particularly the risk-free interest rate term structure published by EIOPA that is used for discounting
- Biometric assumptions such as mortality, invalidity and longevity
- Other assumptions concerning costs, policyholders' future behaviour and management actions and reactions, including in response to capital market developments

Level of uncertainty

The bases of valuation, methods and assumptions that have been described here make it clear that the economic valuation of technical provisions is associated with uncertainty, which is why uncertainties are also one of the subjects of the periodic monitoring process.

For example, the quality and propriety of the actuarial methods utilised to calculate technical provisions are regularly reviewed by external actuarial and auditing firms. In addition, risk margins are used to take uncertainties into account when determining the best estimate for technical provisions.

The following section provides an overview of specific uncertainties in the non-life and life insurance sectors.

Non-life

In the non-life (excluding health) and health (similar to non-life) line of business categories, uncertainties regarding the bases of the business and the assumptions made primarily relate to:

- Information about additional losses above and beyond those already reported
- The size of and payment periods for losses that have occurred (both known and as yet unreported)
- Loss adjustment costs for these losses

In addition to these uncertainties, methodological uncertainties are particularly significant in the case of relatively recent occurrence years. These uncertainties are due on the one hand to actuarial projections and on the other to the fact that large losses need in part to be adjusted on a case-by-case basis. When possible the uncertainties are scaled back over time as additional information becomes available.

Life insurance

In the life (excluding health and index-linked and unit-linked), health (similar to life) and index-linked and unit-linked line of business categories, uncertainties relate to the long contract durations and the long projection periods that are required as a result. In particular, significant uncertainties exist here in relation to assumed interest rate developments, changes in biometric assumptions and the extent to which potential options are exercised by policyholders.

In addition, there are limitations to the valuation of technical provisions in that the simplifications and approximations needed for modelling can lead to uncertainties in the valuations. The technical provisions in the life primary insurance business in particular are calculated with the help of a stochastic enterprise model, which in turn leads to stochastic uncertainties.

Life primary insurance policies are basically long-term contracts with a discretionary profit participation feature. The safety margins included in the actuarial assumptions are used to offset relatively small changes in the assumptions about biometric factors, interest rates and costs that underlie the calculations. If these safety margins are not required, they generate surpluses, which by law must be passed on to policyholders to a large extent. Thanks to these basic business practices, the impact on earnings of uncertainties can be mitigated by adjusting policyholders' future profit participations in response to changes in risk, cost or interest rate expectations. Uncertainties in life reinsurance are essentially due to the potential for changes to

assumptions regarding mortality and morbidity trends and policyholder behaviour.

Comparison with the valuations in the HDI Group's financial statements

The HDI Group's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Institutions for occupational retirement provision are included as participations in line with the regulations, in contrast to the basis of consolidation used in the annual financial statements. This reduces technical provisions by EUR 2,273 million (gross) and EUR 2,272 million (net).

Another fundamental difference to the treatment in the financial statements results from the different contract boundaries involved. Among other things, Solvency 2 bases the scope of contracts to be valued on the point in time when the contract is entered into rather than when it actually takes effect. For example, in the case of a contract offering policyholders the non-cancellable option of a future increase (dynamic premium), a realistic probability of acceptance is modelled for this.

Valuing the technical provisions therefore leads to deviations from the values recognised in accordance with the IFRSs. The material differences can be outlined as follows:

Assumptions

Unless they can be explicitly replicated using financial instruments, technical provisions are calculated using the best estimate and the risk margin. Furthermore, under IFRS, a contractual service margin is determined that represents the unearned profit. They need to be updated regularly to reflect the latest available information.

Under Solvency 2 and IFRS 17, the fair value of future cash flows is continually analysed and determined using discounting on the basis of the risk-free interest rate term structure published by EIOPA. The interest rate term structure used under Solvency 2 differs from that used under IFRS 17.

Risk margin

The risk margin is used, on the one hand, to account for the uncertainty associated with the insurance portfolio run-off and, on the other, to recognise the cost of capital needed to make available eligible own funds to meet the Solvency Capital Requirement until the run-off has been completed.

The risk margin is primarily calculated at the level of the individual companies in the HDI Group. The future Solvency Capital Requirements needed to determine the risk margin are calculated approximately using undertaking-specific inputs such as the expected development of key risks or the technical provisions. The risk margin has an increasing effect of EUR 4,209 million.

RISK MARGIN

EUR thousand	2023
Category	
Non-life (excluding health)	1,686,944
Health (similar to non-life)	108,432
Health (similar to life)	505,654
Life (excluding health and index-linked and unit-linked)	1,725,776
Index-linked and unit-linked	182,662
Total	4,209,468

Premium provisions

In the non-life insurance business, the best estimate comprises the provisions for claims outstanding and the premium provisions. The provisions for claims outstanding reflect the future cash flows for losses that have already occurred. Premium provisions consist of the future cash flows for premiums and losses that have not yet occurred. To simplify the calculation of the premium provisions, the individual companies in the HDI Group also use inputs taken from the annual report in some cases.

Gross premium provisions amount to EUR 7,002 million for “Non-life (excluding health)” and EUR 208 million for “Health (similar to non-life)”. Premium provisions under Solvency 2 have no equivalent in the IFRS framework.

IMPACT OF PREMIUM PROVISIONS BEFORE ELIMINATION OF INTRAGROUP TRANSACTIONS

EUR thousand	2023	
	Gross premium provisions ¹	Net premium provisions ¹
Non-life (excluding health)	7,001,584	6,934,692
Health (similar to non-life)	208,150	189,739
Total	7,209,734	7,124,431

¹ Including discount.

Valuing life primary insurance

One of the features of life primary insurance are options and guarantees that policyholders can exercise or assert. These financial options and guarantees are explicitly measured. In particular, measurement takes into account the asymmetry of the business model – e.g. as regards guaranteed surrender values or the profit participation – using a stochastic simulation based on risk-neutral economic scenarios. Under the IFRSs, technical provisions in the life insurance business are valued in accordance with SFAS 60, while SFAS 97 and SFAS 120 are used for selected types of primary insurance contracts.

The value of contracts in the life primary insurance business is measured under the IFRSs using the universal life model in complete accordance with SFAS 97 (US GAAP). This entails measuring the value of units in unit-linked contracts on the basis of the funds’ total assets. Under Solvency 2, these contracts along with any “classic” units are valued using an integrated approach. This assignment of “classic” units held under the contracts to the “Index-linked and unit-linked” line of business and the different methodologies used lead to differences in the valuations.

In the case of life primary insurance contracts offering traditional profit participation, which are measured under the IFRSs in accordance with SFAS 120 (US GAAP), the IFRS reserves consist of a provision for guaranteed benefits (net level premium provisions) and a provision for terminal bonuses. The best estimate for technical provisions in the solvency balance sheet takes all expected claims and surpluses into account, despite the fact that future surpluses are not contractually guaranteed. This approach is based on a forecast of future management decisions relating to profit participation. The only item not included in this valuation is the surplus fund eligible as own funds, whose economic value (the probability-weighted present value of future cash flows paid from the surplus fund eligible as own funds to policyholders) is recognised in the “Surplus funds” equity item.

Reinsurance recoverables

Reinsurance recoverables are measured in accordance with the same principles as were described for valuing technical provisions. Unlike in the IFRSs, any material risk of default by the counterparty is explicitly taken into account in the valuation.

Matching adjustment

The matching adjustment is not used at the HDI Group.

Volatility adjustment

The volatility adjustment is used to counter-cyclically dampen the effects of short-term credit market volatility on the solvency of insurers with long-term liabilities – i.e. life insurers in particular. After receiving approval from the regulatory authorities (to the extent that this is required), the following material companies take into account a volatility adjustment for technical provisions: HDI Assicurazioni S.p.A., HDI Global SE, HDI Lebensversicherung AG, HDI Versicherung AG, LPV Lebensversicherung AG, LPV Versicherung AG, neue leben Lebensversicherung AG, neue leben Unfallversicherung AG, Talanx AG, TARGO Lebensversicherung AG, TARGO Versicherung AG and Hannover Re companies. The utilisation of the volatility adjustment reduces technical provisions in the life insurance category by EUR 488 million and in the non-life insurance category by EUR 636 million. For a more detailed overview of the effects of the volatility adjustment on various key indicators, see the table at the end of the current section. It should be noted at this point that the HDI Group has sufficient own funds at its disposal to cover its Solvency Capital Requirement even without the volatility adjustment.

Transitional measure on risk-free interest rates

The transitional on risk-free interest rates is not used at the HDI Group.

Transitional measure on technical provisions

After obtaining approval from BaFin, insurance and reinsurance undertakings can make a temporary deduction from technical provisions at the level of the homogeneous risk groups. Given life insurance companies' long-term liabilities, the goal of this transitional on technical provisions is to enable a gradual transition to be made from the valuation of technical provisions in accordance with the previous

Solvency 1 regulatory regime to valuation in accordance with Solvency 2. The temporary deduction corresponds to the difference between the technical provisions after reinsurance in line with Solvency 2 as at 1 January 2016 and the corresponding technical provisions after reinsurance in line with Solvency 1 at the affected individual companies as at 31 December 2015. This deduction must be systematically reduced on a straight-line basis at the end of each calendar year. As a result of this gradual reduction it will be eliminated completely as from 1 January 2032.

Approval to use the transitional on technical provisions was granted for all homogeneous risk groups at the following material companies: HDI Lebensversicherung AG, neue leben Lebensversicherung AG, LPV Lebensversicherung AG and TARGO Lebensversicherung AG.

At the reporting date 31 March 2020, the companies recalculated the deduction term for the portfolio of policies with inception dates prior to 1 January 2016 ("Solvency 2 Day One"), taking into account the capital market situation at that date. Supervisory authorities approved the use of the new deduction term effective from reporting date 30 June 2020. The percentage share of the write-down as at the reporting date for the recalculation was maintained.

In 2023, the total deduction across all companies resulting from the use of the transitional on technical provisions amounted to EUR 5,081 million; it primarily affected the "Life (excluding health and index-linked and unit-linked)" and "index-linked and unit-linked" categories. Use of the transitional reduces the risk margin and the best estimate for the companies by this amount. In line with EIOPA's opinion on disclosure of information related to the use of transitionals in the calculation of technical provisions dated 21 December 2016, we also provide information on the changes due to be implemented immediately after the reporting date. In this context, we refer to the comments in section D.5.

IMPACT OF VOLATILITY ADJUSTMENT (VA) AND TRANSITIONAL MEASURES (TR)

		31.12.2023			
EUR thousand	Key indicators including volatility adjustment (VA) and transitional measures (TR)	Key indicators excluding measures			
		Impact of the TR	Including VA and excluding TR	Impact of the VA	Excluding VA and TR
Technical provisions	123,836,200	5,081,408	128,917,608	1,123,767	130,041,375
Basic own funds (HDI Group)	28,568,179	-2,898,104	25,670,075	-231,108	25,438,967
Eligible own funds for SCR	28,711,561	-2,898,104	25,813,457	-231,108	25,582,349
SCR	11,849,365	176,929	12,026,294	1,510,082	13,536,376
Solvency 2 ratio (%)	242	-28% ppts	215	-26% ppts	189

Changes from the previous reporting period

Since the 2022 financial statements, explicit additional premiums have been taken into account for (over-) inflation in the calculation of non-life technical provisions owing to the current macroeconomic landscape. Other than the calculation of transitional measures, there were no material changes to the valuation of technical provisions compared to the previous reporting year.

In the consolidated financial statements, underwriting was reported based on the IFRS 17 guidelines for the first time.

D.3 Other liabilities

Deferred taxes

As with the recognition of deferred tax liabilities in accordance with IAS 12, Solvency 2 requires that all measurement differences between the local tax base and the Solvency 2 balance sheet be reviewed to establish whether deferred taxes need to be recognised. In general, deferred taxes must be recognised on all changes in value. However, some exceptions under specific local tax laws need to be taken into account. Under German tax law, for example, 95% of net gains from the sale of shares in corporations are tax free (with the exception of life insurance companies, for example). This means that deferred tax liabilities need to be recognised only on the 5% of the gains that are taxable. Losses resulting from the sale of shares in corporations are not generally tax-deductible in Germany (with the exception of life insurance companies, for example), which means that no deferred tax liabilities need to be recognised on negative revaluation effects. Additionally, no deferred taxes generally have to be recognised on the remeasurement of goodwill where this is from an initial valuation. Some local tax laws provide for different rules that override the general rule given here. As is the case with IAS 12, deferred items are not discounted in the solvency 2 balance sheet.

Normally deferred taxes are defined at the level of the individual undertaking, except in the case of consolidated tax groups. If a profit and loss transfer agreement (and hence a consolidated tax group) exists, the tax rate used by the corresponding consolidated tax group parent is applied. In addition, the deferred taxes are calculated at the level of the ultimate consolidated tax group parent. Deferred taxes are recognised at the level of the consolidated tax group subsidiary only if a tax sharing agreement exists between it and the consolidated tax group parent.

Under the IFRSs, deferred tax assets and liabilities are measured using the tax rates that are expected for the reporting period in which an asset is realised or a liability is settled. The tax rates and tax laws in effect or announced on the reporting date are used.

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

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.

Deferred tax assets that have been recognised are tested for impairment. Impairment losses are recognised where it is unlikely that the net value of the deferred tax assets can be realised. As is the case with the IFRSs, impairment testing must take into account the applicable local tax laws (e.g. minimum taxation requirements, time limits on loss carryforwards).

Deferred tax liabilities totalling EUR 6,245 million were recognised in the solvency balance sheet.

Other liabilities

OTHER LIABILITIES

EUR thousand	2023
Contingent liabilities	—
Pension benefit obligations	1,722,698
Provisions other than technical provisions	1,081,223

Bases for valuation and methods

Under Solvency 2, contingent liabilities are recognised where these constitute possible or existing obligations but it is either not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured reliably. The amount recognised relates to pending actions for recourse where, in the opinion of the HDI Group, the probability of the other side winning the action is 50% or less. In the case of proceedings where the probability of a judgement in favour of the other side is thought to be higher than this, the amounts are recognised under “Miscellaneous other provisions”. The amounts are measured using a probability-weighted best estimate.

Provisions for pension commitments granted by Group undertakings to their employees are disclosed under “Pension benefit obligations”. Generally, 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 amount recognised as a defined benefit liability in accordance with the IFRSs is the balance of the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets, where available, at the reporting date.

Pension benefit obligations are recognised in line with IAS 19 in both Solvency 2 and the IFRSs.

The following items are recognised in the solvency balance sheet under “Provisions other than technical provisions”:

- Partial retirement obligations
- Vacation and overtime pay
- Bonuses and jubilee payments
- Interest on late tax payments
- Outstanding invoices
- Remuneration paid to members of the Board of Management and Supervisory Board
- Expected losses
- Provisions for integration expenses or restructuring measures
- Miscellaneous other provisions

Miscellaneous other provisions generally include all provisions that meet the requirements for establishing provisions in accordance with IAS 37 and are not technical provisions, pension provisions or tax provisions. The accounting policies in IAS 37 are consistent with section 74 of the VAG.

Under the IFRSs, miscellaneous other provisions and tax and restructuring provisions are recognised in the amount likely to be required to settle the obligations, based on best estimates. These provisions are discounted if the effect of the time value of money is material. Restructuring provisions are recognised if a detailed, formal restructuring plan has been approved by the Group and the main features of the restructuring have been publicly announced.

Differences

The Solvency 2 requirements for the approach to be used for contingent liabilities do not apply to the consolidated financial statements.

Because IAS 37 serves as the yardstick for both Solvency 2 and the consolidated financial statements, there are no basic differences in value for the miscellaneous other provisions.

Medium and long-term financial liabilities

MEDIUM AND LONG-TERM FINANCIAL LIABILITIES

EUR thousand	2023
Subordinated liabilities	4,199,448
Debts owed to credit institutions	856,009
Financial liabilities other than debts owed to credit institutions	2,490,693

Bases for valuation and methods

Subordinated liabilities are loans which in the event of insolvency or liquidation are satisfied only after the claims of other creditors have been settled. From an economic viewpoint, such liabilities possess some of the attributes of equity. To the extent that they form part of own funds, subordinated liabilities are recognised in the “Subordinated liabilities in BOF” item of the solvency balance sheet (EUR 4,138 million). Under Solvency 2, subordinated liabilities can be classified as an own-funds item if the requirements of articles 69 subsection (b), 72 subsection (b) or 76 subsection (b) of Commission Delegated Regulation (EU) 2015/35 are met. These requirements are met by nearly all external subordinated liabilities at the HDI Group.

The economic valuation is performed in the solvency balance sheet by adjusting the instrument’s economic value as determined at its time of issue for changes in value resulting exclusively from changes in the market situation. Unlike with the fair value approach in accordance with IAS 39, changes in value resulting from changes to an entity’s own credit spread (OCS) are not adjusted after issuance. In other words, the OCS is maintained at a constant level for subsequent valuations. Solvency 2 valuations are performed uniformly throughout the HDI Group as at the first call date.

A number of Group undertakings have in the past issued long-term and in some cases listed subordinated debt instruments in order to optimise the Group’s capital structure and to ensure the liquidity (solvency) required by the supervisory authorities. The following table shows all non Group-level subordinated liabilities listed in basic own funds.

SUBORDINATED LIABILITIES

EUR thousand

Issuer	Nominal amount	Maturity	31.12.2023	
			IFRS value	Solvency 2 value
Talanx AG	750,000	2017/2047	750,000	702,361
Talanx AG	500,000	2021/2042	496,480	414,082
Hannover Rück SE	750,000	2022/2043	745,964	827,018
Hannover Rück SE	750,000	2021/2042	744,540	632,004
Hannover Rück SE	500,000	2020/2040	496,447	432,177
Hannover Rück SE	750,000	2019/2039	744,047	658,940
Hannover Rück SE ¹	450,000	2014/no final maturity	448,876	446,792
HDI Italia S. p. A.	25,000	2020/2030	34,315	24,701
Total			4,460,669	4,138,076

¹ At the reporting date, Group companies additionally held bonds with a nominal value of EUR 50 million (consolidated in the consolidated financial statements).

Insofar as undertakings made use of the transitionals (“grandfathering”) when Solvency 2 came into force, it must be noted that their duration is limited to a maximum of ten years after 1 January 2016 if they were issued prior to 17 January 2015 and insofar as the own funds items could be used under the previous solvency regime in order to comply with the available solvency margin up to a level of 50% (for Tier 1 – restricted) and/or 25% (for Tier 2).

Within the Group, the bonds issued by Hannover Finance (Luxembourg) S. A. and Hannover Rück SE have been recognised as grandfathered.

Solvency 2 requires that financial liabilities must be recognised at the expected present value of future cash flows. Here as well, no changes to a company’s own credit spread are taken into account for the purposes of the valuation.

The “Debts owed to credit institutions” item consists of mortgages and loans.

The “Financial liabilities other than debts owed to credit institutions” item can comprise bonds, mortgages and loans from other undertakings that are not credit institutions. Liabilities here can include an undertaking’s self-structured debt securities (i.e. securities that are not structured by a special purpose vehicle).

Differences

The difference between the Solvency 2 values for financial liabilities and the carrying amounts in the consolidated financial statements is largely attributable to those liabilities that are measured at amortised cost rather than at fair value in the consolidated financial statements. However, even if they were to be recognised at fair value in the consolidated financial statements as well, differences between the values reported would still arise if the company’s own credit quality changes, since such changes are taken into account only in the IFRS consolidated financial statements.

Short-term liabilities**SHORT-TERM LIABILITIES**

EUR thousand	2023
Insurance & intermediaries payables	2,897,457
Reinsurance payables	2,361,234
Payables (trade, not insurance)	1,793,339

Bases for valuation

This item is essentially used for past due liabilities to insured parties, insurers or other undertakings in connection with the insurance business (including amounts already owed to [re]insurance intermediaries) that do not constitute technical provisions.

Method

Solvency 2 requires that liabilities be recognised at the expected present value of future cash flows. Where necessary, discounting is performed using the interest rate term structure published by EIOPA.

The Solvency 2 value for reinsurance payables is derived from the corresponding value under the IFRSs. The portion covering the future cash flows is already contained in the technical provisions. The remaining portion of the IFRS liability, which contains the cash flows prior to or on the valuation date, is shown in this item.

Differences

The difference between the Solvency 2 values and those reported in the consolidated financial statements under “Insurance and intermediaries payables” and “Reinsurance payables” is due to the difference in reporting. These items are an underwriting component under IFRS 17, whereas they are reported separately under Solvency 2.

Other liabilities

OTHER LIABILITIES

EUR thousand	2023
Deposits from reinsurers	1,266,736
Any other liabilities, not elsewhere shown	818,376
Derivatives	245,986

Bases for valuation and methods

Deposits from reinsurers are recognised and valued in the same way as the corresponding asset-side item; this has already been explained in the “Receivables” section.

Solvency 2 requires that liabilities be recognised at the expected present value of future cash flows. Discounting is performed using the interest rate term structure published by EIOPA.

Measurement in accordance with the IFRSs is described in the “Medium and long-term financial liabilities” section.

The recognition and measurement of liabilities from derivatives are described in the “Other investments” section.

Differences

The difference between the Solvency 2 values and those reported in the consolidated financial statements under “Deposits from reinsurers” is due to the difference in reporting. These items are an underwriting component under IFRS 17, whereas they are reported separately under Solvency 2.

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 Commission Delegated Regulation (EU) 2015/35 have already been described in sections D.1 to D.3. This primarily relates to assets reported in the balance sheet items grouped under the “Investments (other than assets held for index-linked and unit-linked contracts)” heading and to financial liabilities on the liabilities side of the solvency balance sheet, to the extent that no quoted market prices are available.

D.5 Any other information

By way of e-mail dated 14 March 2024, BaFin requested a recalculation by the German life insurance companies of the transitional deduction for the transitional measure on technical provisions in accordance with section 352(3) of the VAG as at 1 January 2024 by 19 April 2024. As at the release date of this report, calculations indicate that the transitional measure on technical provisions will be reduced, possibly entirely. The main effect is in the regulatory view, which is not used for taxation purposes.

All other material and relevant information on valuations for solvency purposes that is required to be reported is already contained in the other parts of section D.

E. Capital manage- ment

E.1 Own funds

The business strategy defines targets with regard to the risk exposure.

In addition, compliance with the undertaking's internal and externally communicated corridors and limits for ratios is crucially important:

- The HDI Group's Solvency 2 ratio excluding the transitional should range between 150% and 200%.
- The economic capital adequacy ratio for the Talanx Group should be over 200%.

CAR corridors and limits

For TERM 2023, the capital adequacy ratio (CAR) in the economic perspective (Talanx) stands at 254%, while the HDI Group's Solvency 2 ratio excluding the transitional is 215%. The capital adequacy ratios are therefore above the set ranges.

Changes to the solvency ratio in business planning

The capital adequacy of the HDI Group is monitored both in relation to the current results from the full internal model, and also in the context of the business planning over a time period of five years (medium-term planning). This medium-term planning is based on the HDI Group's planning assumptions, which include macro-economic assumptions for changes in gross domestic product, inflation and interest rates. This is covered by the undertaking's own risk and solvency assessment.

Reconciliation of the Talanx Group's IFRS equity to the HDI Group's own funds

The Solvency 2 requirements provide for two main categories of own funds – basic own funds and ancillary own funds. From the regulatory viewpoint, the total own funds cannot be used in full to meet the Group SCR.

The HDI Group is analysed from the regulatory viewpoint. The Solvency Capital Requirement and own funds are calculated on the basis of fully consolidated data for the HDI Group. Restrictions on the availability of own funds are taken into account in the process. HDI V.a.G. itself conducts only a minimal amount of insurance business. Therefore, all underwriting risks that have to be taken into account are already included in the Talanx Group, which is the HDI Group's risk kernel. The availability restrictions are therefore applied at the level of the risk kernel, whereas HDI V.a.G. itself is integrated only in a subsequent step.

The following table shows the reconciliation of the Talanx Group's IFRS equity to the HDI Group's eligible own funds:

THE HDI GROUP'S OWN FUNDS

EUR thousand	2023	2022
IFRS equity (Talanx)	16,793,481	12,591,966
Goodwill and intangible assets	-2,393,232	-1,917,537
Revaluation effects	10,814,650	12,071,881
Surplus funds	1,873,130	1,799,056
Excess of assets over liabilities (Talanx)	27,088,029	24,545,366
Subordinated liabilities (incl. minority interests)	4,138,076	4,413,843
Own shares	—	—
Foreseeable dividends, distributions and charges	-1,142,834	-947,846
of which to HDI V.a.G.	-483,505	-414,430
Basic own funds (Talanx) before deductions	30,083,271	28,011,363
Transitional measures	3,473,810	3,859,789
Basic own funds (Talanx) before deductions incl. transitional	33,557,081	31,871,152
HDI V.a.G. (extension of Talanx Group to produce HDI Group)	3,485,036	2,832,895
of which foreseeable dividends from Talanx AG	-465,709	-399,600
Basic own funds (HDI Group) before deductions	37,042,117	34,704,047
Non-available own-funds items	-8,449,527	-7,718,268
Other	-24,411	-83,510
Ancillary own funds	—	—
Own funds of other financial sectors	143,382	138,998
Available own funds (HDI Group)	28,711,561	27,041,268
Tiering restrictions	—	—
Eligible own funds (HDI Group)	28,711,561	27,041,268
Transitional	-3,473,810	-3,859,789
Impact of transitional on recoverability of deferred taxes	-200,853	-171,073
Non-available own-funds items arising from transitional	776,559	436,181
Eligible own funds excluding transitional (HDI Group)	25,813,457	23,446,586

The starting point for the reconciliation is the Talanx Group's IFRS equity. Under Solvency 2, goodwill is valued at zero; intangible assets are permitted to be recognised only under certain conditions. These and other revaluation effects between the IFRS balance sheet and the economic (solvency) balance sheet, together with the surplus funds, produce the "Excess of assets over liabilities" item. In contrast to the residual value for the assets and liabilities in the solvency balance sheet, this line item does not take the transitional into account.

In addition to the excess of assets over liabilities, the basic own funds include subordinated liabilities and own shares. Foreseeable dividends, distributions and charges that are paid by the Talanx Group to third parties are deducted from the basic own funds. The "Basic own funds before deductions" item does not take any availability and eligibility restrictions into account. This is performed in a later step. The basis of consolidation corresponds to that used for the IFRSs.

Lawmakers have provided for a gradual transition to Solvency 2. This is reflected in the present table by the application of the transitional on technical provisions at the German life insurance companies in the Group.

The HDI Group's basic own funds before deductions contain both the Talanx Group's basic own funds before deductions (including the transitional) and HDI V.a.G.'s excess of assets over liabilities. The internal Group participations (particularly in Talanx AG) are deducted from this excess amount to avoid the double use of own funds. In addition, the dividends that will foreseeably be paid (by Talanx AG in particular) to HDI V.a.G. are included in the HDI Group's basic own funds before deductions.

Certain own-funds items are available for covering the Group Solvency Capital Requirement under Solvency 2 only subject to restrictions. These include non-controlling interests and surplus funds, among other things. Further details on the approach used to calculate the non-available own-funds items are provided at the end of this section.

The "Other" item is used to deduct the carrying amounts of the investments in institutions for occupational retirement provision (IORPs) and of Ampega Investment GmbH.

Ancillary own funds are irrelevant at the level of the Talanx Group and/or of the HDI Group as at the 2023 year-end.

The "Own funds of other financial sectors" item represents the own funds of institutions for occupational retirement provision under Solvency 1 and of Ampega Investment GmbH under the sectoral regulations.

Available own funds (HDI Group): The available own funds of the HDI Group based on the basic own funds before deductions, taking the above-mentioned items into account: "Non-available own-funds items", "Other", "Ancillary own funds" and "Own funds of other financial sectors". The non-available own funds are calculated within the Talanx risk kernel.

Eligible own funds for covering the Solvency Capital Requirement (HDI Group): Restrictions on the tiering of own funds must be factored into the calculations. There was no need to make any deductions for tiering as at the 2023 year-end.

The use of transitional affects the amount of recoverable deferred taxes at the German life companies. This effect is shown under "Impact of transitional on recoverability of deferred taxes".

Calculating non-available own-funds items

From the regulatory viewpoint, own funds cannot be used in full to meet the Group Solvency Capital Requirement. Items affected include minority interests, deferred tax assets, surplus funds, hybrid capital (subordinated liabilities) and ancillary own funds. The last four basic own funds items are eligible only if they are permitted to be used to meet the solo Solvency Capital Requirement for the company concerned. Moreover, in total they must not exceed the contribution made by the company concerned to the (diversified) Group Solvency Capital Requirement. Similarly, non-controlling interests that are included in subsidiaries' own funds may be taken into account at Group level only up to the amount corresponding to the non-controlling interests' contribution to the Group Solvency Capital Requirement.

The contribution to the Group Solvency Capital Requirement is determined by allocating the (diversified) Group Solvency Capital Requirement to the companies in the Talanx Group. The Solvency 2 Framework Directive requires the SCR to be apportioned proportionally: i.e. the portion of the diversified Group Solvency Capital Requirement accounted for by a particular company must correspond to the portion of the undiversified Group Solvency Capital Requirement accounted for by the individual solo Solvency Capital Requirement. Undertakings with an internal model are permitted to use this model to allocate the (diversified) Group Solvency Capital Requirement.

The regulatory restrictions on the own funds are applied on the basis of the contribution made by the solo undertakings to the Group Solvency Capital Requirement. The following table shows the breakdown of the "Non-available own-funds items" item. The minority interests are the largest item to which possible restrictions may be applied. They are mainly attributable to the reinsurance segment. Moreover, a considerable proportion of the surplus funds are not available to meet the capital requirements at Group level.

NON-AVAILABLE OWN-FUNDS ITEMS

EUR thousand	2023	2022
Surplus funds	793,808	906,808
Subordinated liabilities	—	13,940
Net deferred taxes	3,099	51,664
Non-available minority interests	7,652,620	6,745,855
Total non-available own-funds items (including effect of transitional)	8,449,527	7,718,268

"Tiering" of own-funds items

Own funds are divided into three classes ("tiers"). Tiering of the own-funds items is based on the extent to which they are available to offset losses. A distinction is also made between basic own-funds items and ancillary own-funds items.

Basic own-funds items are allocated to "Tier 1" if they are available or can be called on demand to fully absorb losses on a going-concern basis, as well as in the case of winding-up (permanent availability). In the case of winding-up, "Tier 1" own-funds items are available to meet obligations arising towards policyholders and beneficiaries of insurance and reinsurance contracts. The holders of the own-funds items are repaid on a subordinated basis (subordination).

Basic own-funds items are classified as "Tier 2" if they possess the characteristics of subordination, but are not permanently available. Ancillary own-funds items that substantially possess the characteristics of permanent availability and subordination can be classified as "Tier 2". All other basic own-funds items and ancillary own-funds items are classified as "Tier 3".

As can be seen from the following table, 88% (86%) of the Group's own funds are unrestricted Tier 1 funds: the structure of own funds has not materially changed in comparison to the previous reporting period:

THE HDI GROUP'S OWN FUNDS BROKEN DOWN BY TIER

EUR thousand	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
2023					
Basic own funds before deduction for participations in other financial sectors	–	–	–	–	–
Ordinary share capital (gross of own shares)	–	–	–	–	–
Share premium account related to ordinary share capital	–	–	–	–	–
Surplus funds	1,873,130	1,873,130	–	–	–
Non-available surplus funds at Group level	793,808	793,808	–	–	–
Reconciliation reserve	30,529,968	30,529,968	–	–	–
Subordinated liabilities	4,138,076	–	446,792	3,691,284	–
An amount equal to the value of net deferred tax assets	324,944	–	–	–	324,944
The amount equal to the value of net deferred tax assets not available at the Group level	3,099	–	–	–	3,099
Other items approved by supervisory authority as basic own funds not specified above	176,000	176,000	–	–	–
Non-available minority interests at Group level	7,652,620	6,710,976	94,333	779,358	67,953
Deductions	–	–	–	–	–
Deduction for participations in other financial undertakings	24,411	24,411	–	–	–
Total non-available own funds items	8,449,527	7,504,785	94,333	779,358	71,051
Total deductions	8,473,939	7,529,196	94,333	779,358	71,051
Total basic own funds after deductions	28,568,179	25,049,901	352,458	2,911,926	253,893
Own funds of other financial sectors	–	–	–	–	–
Credit institutions, investment firms and financial institutions, alternative investment funds managers	9,610	9,610	–	–	–
Institutions for occupational retirement provision	133,772	133,772	–	–	–
Total own funds of other financial sectors	143,382	143,382	–	–	–
Total eligible own funds to meet the consolidated Group SCR	28,568,179	25,049,901	352,458	2,911,926	253,893
Total eligible own funds to meet the Group SCR (including own funds from other financial sectors and from the undertakings included via D and A)	28,711,561	25,193,284	352,458	2,911,926	253,893

THE HDI GROUP'S OWN FUNDS BROKEN DOWN BY TIER

EUR thousand	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
2022					
Basic own funds before deduction for participations in other financial sectors					
Ordinary share capital (gross of own shares)	—	—	—	—	—
Share premium account related to ordinary share capital	—	—	—	—	—
Surplus funds	1,799,056	1,799,056	—	—	—
Non-available surplus funds at Group level	906,808	906,808	—	—	—
Reconciliation reserve	27,864,204	27,864,204	—	—	—
Subordinated liabilities	4,413,843	—	437,431	3,976,412	—
An amount equal to the value of net deferred tax assets	450,944	—	—	—	450,944
The amount equal to the value of net deferred tax assets not available at the Group level	51,664	—	—	—	51,664
Other items approved by supervisory authority as basic own funds not specified above	176,000	176,000	—	—	—
Non-available minority interests at Group level	6,745,855	5,786,086	87,480	792,439	79,850
Deductions					
Deduction for participations in other financial undertakings	83,510	83,510	—	—	—
Total non-available own funds items	7,718,268	6,692,894	87,480	806,379	131,515
Total deductions	7,801,778	6,776,404	87,480	806,379	131,515
Total basic own funds after deductions	26,902,269	23,062,856	349,951	3,170,033	319,429
Own funds of other financial sectors					
Credit institutions, investment firms and financial institutions, alternative investment funds managers	9,374	9,374	—	—	—
Institutions for occupational retirement provision	129,624	129,624	—	—	—
Total own funds of other financial sectors	138,998	138,998	—	—	—
Total eligible own funds to meet the consolidated Group SCR	26,902,269	23,062,856	349,951	3,170,033	319,429
Total eligible own funds to meet the Group SCR (including own funds from other financial sectors and from the undertakings included via D and A)	27,041,268	23,201,855	349,951	3,170,033	319,429

The present value of benefits to policyholders as included in technical provisions for life insurance (see also section D.2) is reduced in the provision for premium refunds by a portion of available unrestricted funds of an adequate amount to cover losses. This so-called surplus fund specifically contains no portions that are not adequate to make good losses or not available, such as surplus components already established, and remains available without restriction and for an unlimited amount of time, free of costs or other charges, to cover Solvency Capital Requirements. This is therefore a Tier 1 own-funds item under Solvency 2 in accordance with section 91 of the VAG and section 93 (1) of the VAG.

Any excess cover arising from the difference between assets and liabilities, less any dividends envisaged, surplus funds and other basic own funds items, forms the reconciliation reserve.

E.2 Solvency capital requirement and minimum capital requirement

Solvency Capital Requirement

The following table gives an overview of the HDI Group's own funds, capital requirements and capital adequacy ratios according to Solvency 2, including and excluding the transitional on technical provisions. Capitalisation remained very strong even during fluctuations over the course of the year.

SOLVENCY RATIOS FOR THE HDI GROUP

EUR thousand	2023
Eligible own funds including transitional on technical provisions	28,711,561
Solvency Capital Requirement	11,849,365
Regulatory ratio (including transitional)	242%
Eligible own funds excluding transitional on technical provisions	25,813,457
Solvency Capital Requirement	12,026,294
Solvency 2 ratio (regulatory view, excluding transitional)	215%

The SCR for the HDI Group is calculated using the full internal model (TERM).

The values in the table above are given including and excluding the transitional on technical provisions. In accordance with section 352 of the VAG, insurance and reinsurance undertakings can temporarily deduct an amount from the technical provisions, subject to approval; this deduction is applied at the level of the homogeneous risk groups. More detailed information about the transitional on technical provisions can be found in section D.2.

The total SCR for the HDI Group consists of the following risks:

SOLVENCY CAPITAL REQUIREMENT FOR THE HDI GROUP

EUR thousand	2023
Components description	
Market risk non-life and reinsurance	9,031,248
Market risk life primary insurance	2,258,001
Pension risk	429,877
Credit risk (counterparty default risk)	532,756
Premium and reserve risk (excl. natcat)	5,754,343
Natural catastrophe risks	4,809,144
Underwriting risk life	3,367,640
Operational risk	1,303,015
Loss absorbing capacity of deferred taxes non-life and reinsurance	-3,377,810
Total undiversified components	24,108,213
Diversification	-12,380,942
Solvency Capital Requirement for undertakings using the consolidated method	11,727,271
Capital requirement for other financial sectors (non-insurance capital requirements)	122,094
Solvency Capital Requirement	11,849,365

The individual risk components can be described as follows:

- **Market risk, non-life and reinsurance:** The market risk exposure of property/casualty primary insurers, reinsurers (including life) and arising from service companies and holdings. This also includes credit and migration risk relating to investments.
- **Market risk, life primary insurance:** Risk exposure of life primary insurers due to market developments. This also includes credit and migration risk relating to investments.
- **Pension risk:** This shows the influence of changes in the pension provisions on own funds. The main drivers of pension risk are changes in interest rates and inflation.
- **Credit risk (counterparty default risk):** The risk that one or more counterparties do not fulfil their obligations or that their rating is downgraded (credit risk) is shown in this item for property/casualty primary insurance and reinsurances in the HDI Group, insofar as such risks are not contained in the market risk. This is essentially a reinsurance default risk (including the risk of default by retrocessionaires)
- **Premium and reserve risk (excl. NatCat):** Shown for non-life insurers, primary insurers and reinsurers.
- **Natural catastrophe risks:** All risks for property/casualty primary insurers and reinsurers for natural catastrophes are shown in this item.
- **Underwriting risk life:** This item contains biometric risk (e.g. longevity, mortality, morbidity, pandemics), risk arising from policyholder behaviour and cost risk.
- **Operational risk:** This item shows operational risk.
- **Loss-absorbing capacity of deferred taxes:** This item contains the loss-absorbing effect of taxes for all companies.

Minimum capital requirement

The consolidated Minimum Capital Requirement (SCR floor) is the minimum Group Solvency Capital Requirement from a regulatory perspective. The HDI Group's Minimum Capital Requirement comprises the aggregate company-specific Minimum Capital Requirements (MCRs), which in the case of companies based in the European Economic Area (EEA) are a maximum of 45% and a minimum of 25% of the Solvency Capital Requirement. The upper limit (45% of the solvency capital) applies to many of the EEA companies in the HDI Group, i.e. the intermediate result for the MCR calculation (Article 250 and Article 251 of Commission Delegated Regulation [EU] 2015/35) exceeds the limit. A cap based on the internal model applies to those companies that have been granted approval to use the internal model at the solo level. In the case of the other EEA companies, the cap is applied on the basis of the standard formula. For companies based outside the EEA, the local Minimum Capital Requirement is applied.

The following table shows that the Minimum Capital Requirement for the HDI Group is adequately met by own funds. Fluctuations over the course of the year do not affect the observations in the table and the consistently sufficient coverage.

CONSOLIDATED MINIMUM CAPITAL REQUIREMENT FOR THE HDI GROUP

EUR thousand	2023
Consolidated Minimum Capital Requirement for the HDI Group	11,574,758
Eligible own funds to meet the consolidated MCR	27,717,311
Surplus capital	16,142,554

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

Germany has opted not to allow the use of a duration-based sub-module for equity risk. The HDI Group thus does not use a duration-based sub-module for the equity risk.

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

The HDI Group uses a full internal model to calculate the regulatory Solvency Capital Requirement. Unlike the standard formula, the HDI Group's full internal model allows the underlying risks for a strongly diversified insurance group that offers both reinsurance and primary insurance to be modelled in a manner that is best adapted to the undertaking.

The HDI Group's full internal model comprises all companies included in the IFRS basis of consolidation with the exception of the institutions for occupational retirement provision and Ampega Investment GmbH, which do not fall under the Solvency 2 regime. The effects of intragroup transactions are taken into account.

The internal model has numerous applications within the HDI Group 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 (section 115 of the VAG). Core applications include performance management, estimates made in the context of acquisitions, and the limit and threshold system. The limit and threshold system and the related risk-bearing capacity analysis are key pillars of the risk management system, both from an economic (implicit earning limits) and from a regulatory (use test) perspective.

Risk measurement in the HDI Group's internal model

The concept behind the HDI Group's full internal model is based on determining the economic own funds for every individual company on a fair value basis as at the reference date, forecasting changes in these own funds over the one-year horizon applicable under Solvency 2, and then aggregating these at Group level.

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. Different mathematical techniques are used for life and non-life insurance in the internal models at the companies providing the information, in line with the underlying risk. However, Monte Carlo simulation procedures with a suitable number of simulations are used across all fields, due to the complexity of the issues to be modelled.

Simulations are used to consolidate all economic balance sheets over the one-year horizon; this results in a forecast distribution for the own funds.

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 (CAR) and the Solvency 2 ratio are derived from the own funds ratio as at the valuation date and the Solvency Capital Requirement according to the forecast distribution for the full internal model.

The bases for modelling used in the full internal model at the HDI Group are outlined below.

Material assumptions

The most important assumption for the HDI Group's internal model is that the key risks relate to negative changes in the capital market, the occurrence of natural catastrophes and the risk of a simultaneous chance default by the reinsurers. Based on this assumption, the scenarios used in the companies' risk models for these events – i.e. natural catastrophes, reinsurer default and the related economic issues – are standardised throughout the Group and are processed in identical order in order to be able to aggregate the model results. In particular, this requirement includes fundamental assumptions about dependencies that are critical for diversification within the HDI Group's internal model:

- Analyses do not indicate any significant, sustained impacts of NatCat 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 incorporated under the premise that defaults and/or rating downgrades for reinsurers are induced by negative developments on the capital markets and/or high losses due to natural catastrophe events.
- Pandemics and other global events are also standardised for the primary insurers and correlated between primary insurance and reinsurance. In addition, these scenarios are coupled with the economic scenarios in order to model adverse economic developments due to pandemic events.

Apart from being used to specify fundamental requirements for Group-wide correlations between risk categories, 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 the HDI Group’s internal model, and to this extent influence the capital adequacy ratio.

Data used

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

Scenarios

The starting point for modelling in the solo undertakings’ internal risk models are scenarios based on event models that map the HDI Group’s risk factor universe. These include the following in particular:

- Economic scenarios
- Natural catastrophe scenarios from the global event set (GES)
- Reinsurance default scenarios

These scenarios are applied as standards across the entire Group. The economic scenarios for measuring market risk and the natural catastrophe scenarios are particularly important here.

The economic scenarios are generated using an economic scenario generator. This simulation software, which is based on a stochastic financial market model, produces simulated economic scenarios that represent a full range of future economic developments. In particular, the components modelled include the risk-free interest rate term structure, spread curves, equity indices, real estate indices, changes in inflation and currency exchange rates. One key aspect is modelling dependencies between risk factors and economies, which is used to manage market risk diversification within the HDI Group’s internal model.

In the area of natural catastrophe risk, Group-wide standard scenarios taken from the global event set assist aggregation across the Group. Natural catastrophe models are used to produce the global event set. Updates to this global event set are made available each year to all companies with portfolios that are exposed to natural catastrophes. The valuation and/or modelling of the natural catastrophe risk is then carried out downstream in the Risk Management units of the subsidiaries.

Internal models – life

In the case of internal models in the life insurance companies and of the Hannover Re Group’s life insurance business, the forecast distribution is determined using actuarial approximation techniques. This is due to the complexity of the cash flows, for which a valuation of various possible changes in economic and underwriting risk factors has to be performed over the one-year horizon. The key factor in the case of life primary insurance is the technique of portfolio replication; this is used in particular to model the fluctuations in market risk due to changes in the value of guarantees and options. The Hannover Re Group’s life reinsurance module is based on cash flow forecasts for an appropriate number of economic and biometric risk factors. Suitable mathematical methods (e.g. curve fitting) are used to select scenarios and ensure that the forecast distribution is sufficiently accurate.

Internal models – non-life

In the internal models for non-life, 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 loss adjustment as against the estimates made when calculating the premium. NatCat 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 companies’ business lines.

Reserve risk describes the danger of inadequate provisions for claims outstanding having been calculated in previous 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 using a copula 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 NatCat risk is predominantly modelled using externally licensed models. These NatCat models generally consist of three components – natural hazard, vulnerability and financial module/contract structure – and result in simulated event losses that are then processed further in the individual companies' internal models. A consistent Group-wide approach is pursued within the Group at the level of individual events, permitting decentralised risk modelling. This standardised Group approach revolves around the global event set, which contains the majority of the hazard regions to which the Group is exposed. Model regions for which no licensed or otherwise available models are used are taken into account using in-house developments at the subsidiaries 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.

Counterparty default risk for reinsurance counterparties is calculated on the basis of scenarios from the reinsurance default model, which provides Group-wide standardised percentage deductions per reinsurance counterparty (depending on the rating simulated over the one-year horizon); such deductions are combined with 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 loss risks that arise from the unsuitability or failure of internal processes, employees or systems or due to external events. This risk category includes legal and compliance risks but not strategic or reputation risks. Operational risks are modelled based on the results of expert workshops carried out every six months.

Aggregation in the Group model

The forecast distribution in the HDI Group's full internal model is primarily arrived at by aggregating the forecast distributions for own funds in the solo companies' internal models – i.e. by adding together the companies' simulated values for each of the simulations implemented. Overall, the Solvency Capital Requirement is calculated on the basis of the fully consolidated data for the "risk kernel", i.e. the Talanx Group including minority interests.

The tax model is used to reflect the loss-absorbing impact of tax effects in the forecast distribution for the HDI Group.

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 full 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 full 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 operational risk and the following risk modules of the Basic Solvency Capital Requirement:

- Non-life underwriting risk
- Life underwriting risk
- Market risk and
- Counterparty default risk

These risk modules are 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, using formula-based factor approaches with specified 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 full internal model, which is based on the undertaking's specific risk profile; however, the stand-

ard formula can take this profile into account only to a limited extent due to its universality. Secondly, discrepancies arise due to different allocations to sub-modules or 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:

- All material companies' internal models use a dynamic volatility adjustment, whereas in all cases the standard formula takes the volatility adjustment into account only via an upward or downward shift in the initial interest rate term structure. This leads to differences in the credit risk sub-category between the internal model and the standard model, particularly in market risk.
- In market risk, there are differences in the measurement of credit 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.
- For the internal models, the stress levels for life underwriting risks are determined based on data for the underlying portfolios. Using corporate data for calibration results in deviations from the results obtained using the standard formula.
- Under the standard formula, operational risk is determined on the basis of the premium and reserve volume. No diversification is permitted with other risk categories. In the internal model, operational risk is based on expert opinions that are collected systematically.

In order to calculate the capital requirement in the standard formula for every risk module and, downstream, for the HDI Group's overall risk, the capital requirements at the level of the respective sub-modules and/or risk modules are aggregated iteratively with the help of the so-called root formula. The root formula uses correlations specified by supervisory law – the simplest statistical measure of dependency – between the sub-modules and/or risk modules in order to specify the relevant dependencies, which in turn control the diversification effects within and between the risk modules in the standard formula.

In contrast to the standard formula, dependencies – and hence also diversification effects – arise between risk categories in the full internal model; this is due in part to dependencies modelled between risk factors (e.g. in the economic scenario generator) via copula-modelled dependencies (e.g. between the premium risk in a compa-

ny's business lines) or explicit assumptions of independence (e.g. between market and natural catastrophe risks). To this extent, the Solvency Capital Requirements produced using the standard formula methodology and the full 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 requirements and non-compliance with the Solvency Capital Requirement

At present, there are no signs of any pending under capitalisation. 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 Minimum Capital Requirement in excess of the statutory requirements.

E.6 Any other information

All material and relevant information to be reported about capital management is included in the other sections of the SFCR.

Annex

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Line of business categories

LINE OF BUSINESS CATEGORIES

	Line of business categories				
	Non-life (excluding health)	Life (excluding health and index-linked and unit-linked)	Health (similar to life)	Health (similar to non-life)	Index-linked and unit-linked
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	■				
Legal expenses insurance	■				
Assistance	■				
Miscellaneous financial loss	■				
Line of business for accepted non-proportional reinsurance					
Health				■	
Casualty				■	
Marine, aviation, transport	■				
Property	■				
Line of business for life insurance obligations					
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		■			
Life reinsurance obligations					
Health insurance			■		
Life reinsurance		■			

Overview of templates

The following templates form part of the Solvency and Financial Condition Report:

- Template S.02.01.02 – Balance sheet
- Template S.05.01.02 – Premiums, claims and expenses by line of business
- Template S.05.02.01 – Premiums, claims and expenses by country

- Template S.22.01.22 – Impact of long-term guarantees and transitional measures
- Template S.23.01.22 – Own funds
- Template S.25.01.22 – Solvency Capital Requirement – for groups on standard formula
- Template S.25.05.22 – Solvency Capital Requirement – for groups using an internal model (partial or full)
- Template S.32.01.22 – Undertakings in the scope of the Group

The following table provides a summary of the contents of, and key points contained in, the templates:

OVERVIEW OF TEMPLATES

Template	Contents/key points
Template S.02.01.02 Balance sheet	<ul style="list-style-type: none"> ■ Comparison of assets and liabilities under the Solvency 2 valuation rules ■ Used to report the excess of assets over liabilities ■ Additional information on the assets and liabilities can be found in section D of this report
Template S.05.01.02 Premiums, claims and expenses by line of business	<ul style="list-style-type: none"> ■ Used to report premiums written, premiums earned, claims incurred, changes in other technical provisions, expenses incurred, other expenses and total expenses (broken down into gross and net items in each case) for the Solvency 2 lines of business ■ Additional information on the premiums can be found in section A
Template S.05.02.01 Premiums, claims and expenses by country	<ul style="list-style-type: none"> ■ Shows premiums, claims and expenses in each case differentiated by life insurance and non-life insurance business, itemised by the top five home countries ■ Additional information on the premiums can be found in section A
Template S.22.01.22 Impact of long-term guarantees and transitional measures	<ul style="list-style-type: none"> ■ Used to report the impact of transitional measures in the case of long-term guarantees on technical provisions, and of setting the volatility adjustment to zero – for the technical provisions, the basic own funds, the eligible own funds to meet Solvency Capital Requirements and the Solvency Capital Requirement in each case ■ Additional information on the effect of the in the case of long-term guarantees can be found in section E
Template S.23.01.22 Own funds	<ul style="list-style-type: none"> ■ Used to report the tiering structure for the own funds ■ Additional information on own funds can be found in section E
Template S.25.01.22 Solvency Capital Requirement – for groups on standard formula	<ul style="list-style-type: none"> ■ Structured by the components used to report the Solvency Capital Requirement
Template S.25.05.22 Solvency Capital Requirement – for groups using an internal model (partial or full)	<ul style="list-style-type: none"> ■ Structured by the components modelled and used primarily to report the Solvency Capital Requirement and the amounts modelled, as well as further information on how the Solvency Capital Requirement is calculated ■ Additional information on the internal model can be found in section E
Template S.32.01.22 Undertakings in the scope of the Group	<ul style="list-style-type: none"> ■ Used to report the undertakings in the scope of the Group along with specific details (name, legal form, criteria of influence, inclusion in the scope of Group supervision, Group solvency calculation) ■ Additional information on the Group structure can be found in section A

S.02.01.02 – Balance sheet

DT1 – BALANCE SHEET

EUR thousand		Solvency 2 value 2023
		C0010
Assets		
Intangible assets	R0030	—
Deferred tax assets	R0040	503,725
Pension benefit surplus	R0050	1,946
Property, plant & equipment held for own use	R0060	1,062,349
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	129,771,789
Property (other than for own use)	R0080	5,565,720
Holdings in related undertakings, including participations	R0090	3,634,871
Equities	R0100	601,017
Equities – listed	R0110	126,873
Equities – unlisted	R0120	474,143
Bonds	R0130	98,259,538
Government bonds	R0140	50,203,343
Corporate bonds	R0150	44,576,207
Structured notes	R0160	361,194
Collateralised securities	R0170	3,118,794
Collective investment undertakings	R0180	19,262,865
Derivatives	R0190	158,867
Deposits other than cash equivalents	R0200	2,234,904
Other investments	R0210	54,007
Assets held for index-linked and unit-linked contracts	R0220	14,163,274
Loans and mortgages	R0230	3,819,940
Loans on policies	R0240	736
Loans and mortgages to individuals	R0250	853,756
Other loans and mortgages	R0260	2,965,448
Reinsurance recoverables from:	R0270	6,844,617
Non-life and health similar to non-life	R0280	6,185,611
Non-life excluding health	R0290	6,125,409
Health similar to non-life	R0300	60,202
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	320,395
Health similar to life	R0320	102,998
Life excluding health and index-linked and unit-linked	R0330	217,397
Life index-linked and unit-linked	R0340	338,610
Deposits to cedants	R0350	9,641,569
Insurance and intermediaries receivables	R0360	9,742,426
Reinsurance receivables	R0370	827,426
Receivables (trade, not insurance)	R0380	2,228,604
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	4,646,731
Any other assets, not elsewhere shown	R0420	122,881
Total assets	R0500	183,377,278

DT1 – BALANCE SHEET

EUR thousand		Solvency 2 value 2023
		C0010
Liabilities		
Technical provisions – non-life	R0510	65,324,138
Technical provisions – non-life (excluding health)	R0520	62,169,526
Technical provisions calculated as a whole	R0530	–
Best estimate	R0540	60,482,583
Risk margin	R0550	1,686,944
Technical provisions – health (similar to non-life)	R0560	3,154,612
Technical provisions calculated as a whole	R0570	–
Best estimate	R0580	3,046,179
Risk margin	R0590	108,432
Technical provisions – life (excluding index-linked and unit-linked)	R0600	37,923,660
Technical provisions – health (similar to life)	R0610	3,807,989
Technical provisions calculated as a whole	R0620	–
Best estimate	R0630	3,302,335
Risk margin	R0640	505,654
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	34,115,671
Technical provisions calculated as a whole	R0660	–
Best estimate	R0670	32,389,894
Risk margin	R0680	1,725,776
Technical provisions – index-linked and unit-linked	R0690	20,588,402
Technical provisions calculated as a whole	R0700	953,437
Best estimate	R0710	19,452,303
Risk margin	R0720	182,662
Contingent liabilities	R0740	–
Provisions other than technical provisions	R0750	1,081,223
Pension benefit obligations	R0760	1,722,698
Deposits from reinsurers	R0770	1,266,736
Deferred tax liabilities	R0780	6,244,509
Derivatives	R0790	245,986
Debts owed to credit institutions	R0800	856,009
Financial liabilities other than debts owed to credit institutions	R0810	2,490,693
Insurance & intermediaries payables	R0820	2,897,457
Reinsurance payables	R0830	2,361,234
Payables (trade, not insurance)	R0840	1,793,339
Subordinated liabilities	R0850	4,199,448
Subordinated liabilities not in basic own funds	R0860	61,372
Subordinated liabilities in basic own funds	R0870	4,138,076
Any other liabilities, not elsewhere shown	R0880	818,376
Total liabilities	R0900	149,813,908
Excess of assets over liabilities	R1000	33,563,370

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

DT2 – PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

EUR thousand		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
		C0010	C0020	C0030
Premiums written				
Gross – direct business	R0110	37,841	434,815	18,390
Gross – proportional reinsurance accepted	R0120	168,600	662,061	99,304
Gross – non-proportional reinsurance accepted	R0130	 	 	
Reinsurers' share	R0140	45,804	-26,206	491
Net	R0200	160,637	1,123,082	117,203
Premiums earned				
Gross – direct business	R0210	39,377	421,313	17,891
Gross – proportional reinsurance accepted	R0220	185,679	633,453	109,406
Gross – non-proportional reinsurance accepted	R0230	 	 	
Reinsurers' share	R0240	40,806	-23,233	328
Net	R0300	184,250	1,077,999	126,968
Claims incurred				
Gross – direct business	R0310	46,247	96,105	21,977
Gross – proportional reinsurance accepted	R0320	59,554	13,543	7,987
Gross – non-proportional reinsurance accepted	R0330	 	 	
Reinsurers' share	R0340	-1	1,284	-7
Net	R0400	105,803	108,364	29,970
Expenses incurred	R0550	58,352	341,859	30,582
Balance - other technical expenses/income	R1210	 	 	
Total expenses	R1300	 	 	

DT3 – PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

EUR thousand		Line of business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			
		Legal expenses insurance	Assistance	Miscellaneous financial loss	
		C0100	C0110	C0120	
Premiums written					
	Gross – direct business	R0110	154,476	115,744	382,980
	Gross – proportional reinsurance accepted	R0120	45,560	36,648	318,110
	Gross – non-proportional reinsurance accepted	R0130	 	 	
	Reinsurers' share	R0140	66,595	12,508	63,432
	Net	R0200	133,441	139,884	637,658
Premiums earned					
	Gross – direct business	R0210	114,518	104,844	315,276
	Gross – proportional reinsurance accepted	R0220	44,291	24,855	297,101
	Gross – non-proportional reinsurance accepted	R0230	 	 	
	Reinsurers' share	R0240	41,835	15,025	25,760
	Net	R0300	116,974	114,674	586,617
Claims incurred					
	Gross – direct business	R0310	13,876	54,481	232,365
	Gross – proportional reinsurance accepted	R0320	199,578	53,671	309,593
	Gross – non-proportional reinsurance accepted	R0330	 	 	
	Reinsurers' share	R0340	–	–2	–1,061
	Net	R0400	213,454	108,155	543,019
	Expenses incurred	R0550	134,844	79,972	512,974
	Balance - other technical expenses/income	R1210	 	 	
	Total expenses	R1300	 	 	

Line of business for: non-life insurance and reinsurance obligations
(direct business and accepted proportional reinsurance)

	Health C0130	Casualty C0140	Marine, aviation, transport C0150	Property C0160	Total C0200
					17,023,452
					21,956,506
	406,045	2,644,588	512,583	403,418	3,966,634
	4,892	135,407	140,909	46,350	5,805,421
	401,153	2,509,181	371,674	357,068	37,141,171
					15,777,541
					21,487,785
	395,779	2,604,573	518,545	400,647	3,919,543
	4,848	133,452	138,786	43,203	5,533,318
	390,931	2,471,120	379,759	357,444	35,651,551
					6,647,156
					3,893,831
	4,306	-264,275	10,654	-133,574	-382,888
	-251	-46,892	-12,325	-140,198	-1,957,218
	4,557	-217,383	22,979	6,624	12,115,316
	26,876	-1,559,046	75,190	572,079	9,475,458
					143,511
					9,618,969

DT4 – PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

EUR thousand		Line of business for: life insurance obligations		
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance
		C0210	C0220	C0230
Premiums written				
Gross	R1410	105,341	5,137,229	54,609
Reinsurers' share	R1420	-84	254,233	319
Net	R1500	105,425	4,882,996	54,289
Premiums earned				
Gross	R1510	105,083	4,149,914	43,531
Reinsurers' share	R1520	-84	254,231	318
Net	R1600	105,167	3,895,683	43,213
Claims incurred				
Gross	R1610	-12,407	-39,773	-6,760
Reinsurers' share	R1620	-	-	-142
Net	R1700	-12,407	-39,773	-6,618
Expenses incurred	R1900	92,492	1,026,884	1,492,429
Balance - other technical expenses/income	R2510			
Total expenses	R2600			
Expenses incurred	R2700	-	-	-

	Line of business for: life insurance obligations			Life reinsurance obligations		Total
	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	
	C0240	C0250	C0260	C0270	C0280	C0300
	752,237	—	—	2,414,325	6,860,757	15,324,498
	-293	—	—	110,589	907,614	1,272,380
	752,529	—	—	2,303,736	5,953,143	14,052,118
	763,920	—	—	2,474,773	6,842,296	14,379,516
	2,799	—	—	110,722	907,738	1,275,724
	761,121	—	—	2,364,051	5,934,559	13,103,793
	32,164	—	—	189,441	276,293	438,958
	-4,220	—	—	-82,124	-431,673	-518,159
	36,384	—	—	271,565	707,965	957,118
	111,190	—	—	382,584	636,971	3,742,550
						152,963
						3,895,512
	—	—	—	—	—	—

S.05.02.01 – Premiums, claims and expenses by country

DT5 – PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

		Top five countries (by amount of gross premiums written) – non-life obligations						Total – top five and home country
		Home country						C0070
		C0010	C0020	C0030	C0040	C0050	C0060	C0130
EUR thousand	R0010	US	UK	PL	BR	AU	C0140	
Premiums written								
Gross – direct business	R0110	2,507,800	4,323,340	1,232,775	1,037,260	894,045	613,132	10,608,351
Gross – proportional reinsurance accepted	R0120	3,234,510	5,576,157	1,590,008	1,337,837	1,153,121	790,805	13,682,438
Gross – non-proportional reinsurance accepted	R0130	584,342	1,007,381	287,249	241,692	208,321	142,866	2,471,851
Reinsurers' share	R0140	855,222	1,474,367	420,407	353,732	304,891	209,093	3,617,712
Net	R0200	5,471,429	9,432,512	2,689,624	2,263,058	1,950,595	1,337,709	23,144,928
Premiums earned								
Gross – direct business	R0210	2,324,259	4,006,924	1,142,550	961,345	828,611	568,258	9,831,948
Gross – proportional reinsurance accepted	R0220	3,165,460	5,457,119	1,556,065	1,309,278	1,128,504	773,923	13,390,349
Gross – non-proportional reinsurance accepted	R0230	577,405	995,422	283,839	238,823	205,848	141,170	2,442,507
Reinsurers' share	R0240	815,137	1,405,262	400,702	337,152	290,601	199,293	3,448,148
Net	R0300	5,251,987	9,054,203	2,581,752	2,172,294	1,872,363	1,284,057	22,216,655
Claims incurred								
Gross – direct business	R0310	979,222	1,688,137	481,362	405,020	349,098	239,410	4,142,248
Gross – proportional reinsurance accepted	R0320	573,617	988,892	281,977	237,256	204,498	140,244	2,426,483
Gross – non-proportional reinsurance accepted	R0330	-56,405	-97,240	-27,727	-23,330	-20,109	-13,790	-238,601
Reinsurers' share	R0340	-288,326	-497,063	-141,734	-119,256	-102,790	-70,493	-1,219,662
Net	R0400	1,784,761	3,076,852	877,346	738,201	636,277	436,356	7,549,792
Expenses incurred	R0550	1,395,871	2,406,423	686,177	577,352	497,636	341,276	5,904,735
Balance – other technical expenses/income	R1210							143,511
Total expenses	R1300							6,048,247

DT6 – PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

EUR thousand		Home	Top five countries (by amount of gross premiums written) –					Total – top five	
		country	life obligations					and home	
		C0150	C0160	C0170	C0180	C0190	C0200	C0210	
	R1400	X	US	UK	AU	CN	PL	X	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280	
Premiums written									
	Gross – direct business	R1410	2,690,336	3,735,701	3,080,429	1,039,235	755,069	557,189	11,857,959
	Reinsurers' share	R1420	223,376	310,172	255,765	86,287	62,693	46,263	984,556
	Net	R1500	2,466,959	3,425,529	2,824,663	952,948	692,376	510,926	10,873,403
Premiums earned									
	Gross – direct business	R1510	2,524,437	3,505,340	2,890,475	975,151	708,508	522,830	11,126,740
	Reinsurers' share	R1520	223,963	310,987	256,437	86,514	62,857	46,385	987,144
	Net	R1600	2,300,473	3,194,353	2,634,037	888,637	645,650	476,446	10,139,597
Claims incurred									
	Gross – direct business	R1610	77,063	107,006	88,236	29,768	21,628	15,960	339,662
	Reinsurers' share	R1620	-90,967	-126,313	-104,157	-35,139	-25,531	-18,840	-400,947
	Net	R1700	168,029	233,320	192,393	64,907	47,159	34,800	740,609
	Expenses incurred	R1900	657,034	912,333	752,302	253,802	184,403	136,077	2,895,951
	Balance – other technical expenses/income	R2510	X	X	X	X	X	X	152,963
	Total expenses	R2600	X	X	X	X	X	X	3,048,914
	Expenses incurred	R2700	–	–	–	–	–	–	–

S.22.01.22 – Impact of long-term guarantees and transitional measures

DT7 – IMPACT OF LONG-TERM GUARANTEES AND TRANSITIONAL MEASURES

EUR thousand		Amount with	Impact of	Impact of	Impact of volatility	Impact of matching
		long-term guarantee measures and transitionals	transitional on technical provisions	transitional on interest rate	adjustment set to zero	adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	123,836,200	5,081,408	—	1,123,767	—
Basic own funds	R0020	28,568,179	–2,898,104	—	–231,108	—
Eligible own funds to meet SCR	R0050	28,711,561	–2,898,104	—	–231,108	—
SCR	R0090	11,849,365	176,929	—	1,510,082	—

S.23.01.22 – Own funds

DT7 – OWN FUNDS

EUR thousand		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 sectors						
	Ordinary share capital (gross of own shares)	R0010	–	–	–	–
	Non-available called but not paid in ordinary share capital to be deducted at group level	R0020	–	–	–	–
	Share premium account related to ordinary share capital	R0030	–	–	–	–
	Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	R0040	–	–	–	–
	Subordinated mutual member accounts	R0050	–	–	–	–
	Non-available subordinated mutual member accounts to be deducted at group level	R0060	–	–	–	–
	Surplus funds	R0070	1,873,130	1,873,130	–	–
	Non-available surplus funds to be deducted at group level	R0080	793,808	793,808	–	–
	Preference shares	R0090	–	–	–	–
	Non-available preference shares to be deducted at group level	R0100	–	–	–	–
	Share premium account related to preference shares	R0110	–	–	–	–
	Non-available share premium account related to preference shares to be deducted at group level	R0120	–	–	–	–
	Reconciliation reserve	R0130	30,529,968	30,529,968	–	–
	Subordinated liabilities	R0140	4,138,076	–	446,792	3,691,284
	Non-available subordinated liabilities to be deducted at group level	R0150	–	–	–	–
	An amount equal to the value of net deferred tax assets	R0160	324,944	–	–	324,944
	The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170	3,099	–	–	3,099
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	176,000	176,000	–	–
	Non-available own funds related to other own funds items approved by supervisory authority to be deducted	R0190	–	–	–	–
	Minority interests at group level	R0200	–	–	–	–
	Non-available minority interests to be deducted at group level	R0210	7,652,620	6,710,976	94,333	779,358
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 2 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 2 own funds	R0220	–	–	–	–
Deductions						
	Deductions for participations in other financial undertakings	R0230	24,411	24,411	–	–
	whereof deducted according to Article 228 of the Directive 2009/138/EC	R0240	24,411	24,411	–	–
	Deductions for participations where there is non-availability of information (Article 229)	R0250	–	–	–	–
	Deduction for participations included via Deduction and Aggregation method when a combination of methods is used	R0260	–	–	–	–
	Total of non-available own funds to be deducted	R0270	8,449,527	7,504,785	94,333	779,358
	Total deductions	R0280	8,473,939	7,529,196	94,333	779,358
	Total basic own funds after deductions	R0290	28,568,179	25,049,901	352,458	2,911,926

DT8 – OWN FUNDS

EUR thousand		Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
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	–	–	–	–
	Non available ancillary own funds to be deducted at group level	R0380	–	–	–	–
	Other ancillary own funds	R0390	–	–	–	–
	Total ancillary own funds	R0400	–	–	–	–
Own funds of other financial sectors						
	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	R0410	9,610	9,610	–	–
	Institutions for occupational retirement provision	R0420	133,772	133,772	–	–
	Non-regulated undertakings carrying out financial activities	R0430	–	–	–	–
	Total own funds of other financial sectors	R0440	143,382	143,382	–	–
Own funds when using the Deduction and Aggregation method (D&A), exclusively or in combination with method 1						
	Own funds aggregated when using the Deduction and Aggregation method and combination of methods	R0450	–	–	–	–
	Own funds aggregated when using the Deduction and Aggregation method and combination of methods net of IGT	R0460	–	–	–	–
	Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sectors and own funds from undertakings included via D&A method)	R0520	28,568,179	25,049,901	352,458	2,911,926
	Total available own funds to meet the minimum consolidated Group SCR	R0530	28,314,286	25,049,901	352,458	2,911,926
	Total eligible own funds to meet the consolidated Group SCR (excluding own funds from other financial sectors and from the undertakings included via D and A)	R0560	28,568,179	25,049,901	352,458	2,911,926
	Total eligible own funds to meet the minimum consolidated Group SCR	R0570	27,717,311	25,049,901	352,458	2,314,952

DT8 – OWN FUNDS

EUR thousand		Total C0010	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
			C0020	C0030	C0040	C0050
	Minimum consolidated Group SCR (Article 230)	R0610	11,574,758			
	Ratio of Eligible own funds (R0570) to Minimum Consolidated Group SCR (R0610)	R0650	239%			
	Total eligible own funds to meet the total group SCR (including own funds from other financial sectors and own funds from undertakings included via D&A method)	R0660	28,711,561	25,193,284	352,458	2,911,926
	Total Group SCR (including CR for other financial sectors and SCR for undertakings included via D&A method)	R0680	11,849,365			
	Ratio of Total Eligible own funds (R0660) to the Total group SCR (R0680) – ratio including other financial sectors and undertakings included via D&A method	R0690	242%			

DT8 – OWN FUNDS

EUR thousand		Total C0060	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
	Reconciliation reserve					
	Excess of assets over liabilities	R0700	33,563,370			
	Own shares (held directly and indirectly)	R0710	—			
	Foreseeable dividends, distributions and charges	R0720	659,329			
	Other basic own fund items	R0730	2,374,074			
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	—			
	Other non-available own funds	R0750	—			
	Reconciliation reserve before deduction for participation in other financial sectors	R0760	30,529,968			
	Expected profits					
	Expected profits included in future premiums (EPIFP) – life business	R0770	7,199,759			
	Expected profits included in future premiums (EPIFP) – non-life business	R0780	1,077,961			
	Total expected profits included in future premiums (EPIFP)	R0790	8,277,720			

S.25.01.22 – Solvency Capital Requirement – for groups on standard formula

DT9 – SOLVENCY CAPITAL REQUIREMENT – FOR GROUPS ON STANDARD FORMULA

EUR thousand		Gross Solvency	USP	Simplifications
		Capital Requirement		
		C0110	C0090	C0120
Market risk	R0010	672,661		
Counterparty default risk	R0020	–		
Life underwriting risk	R0030	253,988		
Health underwriting risk	R0040	34,807		
Non-life underwriting risk	R0050	114,646		
Diversification	R0060	–256,683		
Intangible asset risk	R0070	–		
Basic Solvency Capital Requirement	R0100	819,419		

DT10 – CALCULATION OF SOLVENCY CAPITAL REQUIREMENT

EUR thousand		C0100
Operational risk	R0130	246,980
Loss-absorbing capacity of technical provisions	R0140	—
Loss-absorbing capacity of deferred taxes	R0150	—
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	—
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on	R0200	1,066,398
Capital add-ons already set	R0210	—
of which, capital add-ons already set – Article 37 (1) Type a	R0211	—
of which, capital add-ons already set – Article 37 (1) Type b	R0212	—
of which, capital add-ons already set – Article 37 (1) Type c	R0213	—
of which, capital add-ons already set – Article 37 (1) Type d	R0214	—
Consolidated Group SCR	R0220	1,066,398
Other information on SCR		
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	—
Minimum consolidated group solvency capital requirement	R0470	—
Information on other entities		
Capital requirement for other financial sectors (non-insurance capital requirements)	R0500	—
Capital requirement for other financial sectors (non-insurance capital requirements) – credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	—
Capital requirement for other financial sectors (non-insurance capital requirements) – institutions for occupational retirement provisions	R0520	—
Capital requirement for other financial sectors (non-insurance capital requirements) – capital requirement for non-regulated undertakings carrying out financial activities	R0530	—
Capital requirement for non-controlled participation	R0540	—
Capital requirement for residual undertakings	R0550	—
Capital requirement for collective investment undertakings or investments packaged as funds	R0555	—
Overall SCR		
SCR for undertakings included via D&A method	R0560	—
Total group solvency capital requirement	R0570	1,066,398

S.25.05.22 – Solvency Capital Requirement – for groups using an internal model (partial or full)

DT11 – SOLVENCY CAPITAL REQUIREMENT – FOR GROUPS USING AN INTERNAL MODEL (PARTIAL OR FULL)

EUR thousand		Solvency Capital Requirement		Amount modelled	USP		Simplifications	
		C0010	C0070		C0090	C0120		
Risk type		 	 	 	 	 	 	
Total diversification	R0020	-11,250,949	-11,250,949	—	—	—	—	—
Total diversified risk before tax	R0030	15,105,081	15,105,081	—	—	—	—	—
Total diversified risk after tax	R0040	11,727,271	11,727,271	—	—	—	—	—
Total market & credit risk	R0070	18,129,156	18,129,156	—	—	—	—	—
Market & credit risk – diversified	R0080	10,589,133	10,589,133	—	—	—	—	—
Credit event risk not covered in market & credit risk	R0190	532,756	532,756	—	—	—	—	—
Credit event risk not covered in market & credit risk – diversified	R0200	532,756	532,756	—	—	—	—	—
Total business risk	R0270	—	—	—	—	—	—	—
Total business risk – diversified	R0280	—	—	—	—	—	—	—
Total net non-life underwriting risk	R0310	11,673,716	11,673,716	—	—	—	—	—
Total net non-life underwriting risk – diversified	R0320	6,886,004	6,886,004	—	—	—	—	—
Total life & health underwriting risk	R0400	8,211,195	8,211,195	—	—	—	—	—
Total life & health underwriting risk – diversified	R0410	3,367,640	3,367,640	—	—	—	—	—
Total operational risk	R0480	1,303,015	1,303,015	—	—	—	—	—
Total operational risk – diversified	R0490	1,303,015	1,303,015	—	—	—	—	—
Other risk	R0500	—	—	—	—	—	—	—

S.32.01.22 – Undertakings in the scope of the Group

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
DE	529900F2F9VZ5FRROH89	1 – LEI ¹	HDI Haftpflichtverband der Deutschen Industrie V.a.G.	2 – Non life insurance undertaking	Versicherungsverein auf Gegenseitigkeit	1 – Mutual
DE	391200GKWYPKCL18FE11	1 – LEI ¹	Hannover Digital Investments GmbH	99 – Other	GmbH	2 – Non-mutual
DE	5299006ZIIJ6VJVSJ32	1 – LEI ¹	Talanx AG	3 – Reinsurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900MRNVFGW43IAE70	1 – LEI ¹	HDI Deutschland AG	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Aktiengesellschaft	2 – Non-mutual
DE	529900BLZDMN7IUMOIO2	1 – LEI ¹	neue leben Holding AG	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Aktiengesellschaft	2 – Non-mutual
DE	529900YT4JYHJAZXW481	1 – LEI ¹	HDI Deutschland Bancassurance GmbH	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	GmbH	2 – Non-mutual
DE	52990022107L9199GO56	1 – LEI ¹	HDI Versicherung AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900XSGX17403CHT29	1 – LEI ¹	TARGO Versicherung AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900WXTER9VT9J1H88	1 – LEI ¹	LPV Versicherung AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900BAXIHZE9R50P74	1 – LEI ¹	neue leben Unfallversicherung AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	5299007ZEDNB1BU8YM34	1 – LEI ¹	Lifestyle Protection AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
AT	52990032H55ZB3NCVU16	1 – LEI ¹	HDI Versicherung AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
IT	8156001D0E28EF769631	1 – LEI ¹	HDI Assicurazioni S.p.A.	4 – Composite undertaking	Società per azioni	2 – Non-mutual
BR	213800W7CRKT4JZL3D38	1 – LEI ¹	HDI Seguros S. A., São Paulo	2 – Non life insurance undertaking	S.A. (Capital fechado)	2 – Non-mutual
TR	789000A8GQ88E35ZQY55	1 – LEI ¹	HDI Sigorta A.S.	2 – Non life insurance undertaking	Anonim Şirket	2 – Non-mutual
MX	549300S6KS1HBY1JU965	1 – LEI ¹	HDI Seguros S. A. de C.V., Leon	2 – Non life insurance undertaking	Sociedad Anonima de Capital Variable	2 – Non-mutual
AR	213800IB4RI5AGT5JB79	1 – LEI ¹	HDI Seguros S. A., Buenos Aires	2 – Non life insurance undertaking	Sociedad Anonima	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	% Capital share	Criteria of influence				Inclusion in the scope of Group supervision		Group solvency calculation
		% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied	
C0080	C0180	C0190	C0200	C0210		C0230	C0250	
	100.00%	100.00%	100.00%			100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	100.00%	100.00%	100.00%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Finanzmarkt-aufsicht	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Istituto per la Vigilanza sulle assicurazioni	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
Superintendência de Seguros Privados	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Capital Markets Board of Turkey	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Comisión nacional de seguros y fianzas	76.56%	100.00%	76.56%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Superintendencia de Seguros de la Nación	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
UY	213800SH827576HZOP61	1 – LEI ¹	HDI Seguros S.A., Montevideo	2 – Non life insurance undertaking	Sociedad Anonima	2 – Non-mutual
PL	259400KLVPOJONUXXV45	1 – LEI ¹	Towarzystwo Ubezpieczeń Europa Spółka Akcyjna	2 – Non life insurance undertaking	Spółka akcyjna	2 – Non-mutual
PL	529900H4WZAK60DYKH87	1 – LEI ¹	Towarzystwo Ubezpieczeń i Reasekuracji WARTA S.A.	2 – Non life insurance undertaking	Spółka akcyjna	2 – Non-mutual
BR	2138008S63R3ZDE9R342	1 – LEI ¹	HDI Global Seguros S.A., São Paulo	2 – Non life insurance undertaking	S.A. (Capital fechado)	2 – Non-mutual
CL	959800FKG1CETMZ1JY16	1 – LEI ¹	HDI Seguros S.A., Santiago	2 – Non life insurance undertaking	Sociedad Anonima	2 – Non-mutual
CO	894500HNG6T7IXAPVZ08	1 – LEI ¹	HDI Seguros S.A., Bogota	4 – Composite undertaking	Sociedad Anonima	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR2233	2 – Specific code	Santander Auto S.A.	2 – Non life insurance undertaking	S.A. (Capital fechado)	2 – Non-mutual
TR	529900F2F9VZ5FRROH89TR2238	2 – Specific code	HDI Katılım Sigorta A.S.	2 – Non life insurance undertaking	Anonim Şirket	2 – Non-mutual
TR	529900F2F9VZ5FRROH89TR2240	2 – Specific code	Fibasigorta A.Ş	2 – Non life insurance undertaking	Anonim Şirket	2 – Non-mutual
TR	529900F2F9VZ5FRROH89TR2240	2 – Specific code	HDI Fiba Life	1 – Life insurance undertaking	Anonim Şirket	2 – Non-mutual
PL	259400M40ZJ56CUK0I97	1 – LEI ¹	Europa Millennium Financial Service Spółka z ograniczoną odpowiedzialnością	99 – Other	Spółka z ograniczoną odpowiedzialnością	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR2243	2 – Specific code	HDI Seguros do Brasil S.A.	4 – Composite undertaking	S.A. (Capital fechado)	2 – Non-mutual
US	529900F2F9VZ5FRROH89US2244	2 – Specific code	Indiana Lumbermens Insurance Company	2 – Non life insurance undertaking	Insurancy Company	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR2245	2 – Specific code	Indiana Seguros S.A.	2 – Non life insurance undertaking	S.A. (Capital fechado)	2 – Non-mutual
BR	9598007SLVD70H1L0Z94	1 – LEI ¹	Liberty Seguros S.A.	4 – Composite undertaking	S.A. (Capital fechado)	2 – Non-mutual
DE	5299009DQXHSBZFOUL73	1 – LEI ¹	TARGO Lebensversicherung AG	1 – Life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	52990085HQ0766XDCO24	1 – LEI ¹	LPV Lebensversicherung AG	1 – Life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900H89I7DQIS4QQ69	1 – LEI ¹	neue leben Lebensversicherung AG	1 – Life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	5299005TDZVKIVNYJV73	1 – LEI ¹	Lifestyle Protection Lebensversicherung AG	1 – Life insurance undertaking	Aktiengesellschaft	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts		Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
		C0180	C0190						
Banco Central del Uruguay	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Komisja Nadzoru Finansowego	38.37%	100.00%	38.37%		2 – Significant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation	
Komisja Nadzoru Finansowego	58.13%	100.00%	58.13%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendência de Seguros Privados	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendencia de Valores y Seguros	76.71%	100.00%	76.71%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation	
Superintendencia Financiera de Colombia	76.26%	100.00%	76.26%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendência de Seguros Privados	38.37%	100.00%	38.37%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Capital Markets Board of Turkey	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Capital Markets Board of Turkey	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Capital Markets Board of Turkey	46.05%	100.00%	46.05%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Komisja Nadzoru Finansowego	30.70%	100.00%	30.70%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendência de Seguros Privados	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendência de Seguros Privados	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Superintendência de Seguros Privados	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
PL	2594004GSZRMBSGF7886	1 – LEI ¹	Towarzystwo Ubezpieczeń na Życie Europa Spółka Akcyjna	1 – Life insurance undertaking	Spółka akcyjna	2 – Non-mutual
IE	635400NEKI3GVELG6678	1 – LEI ¹	InChiaro Life Designated Activity Company	1 – Life insurance undertaking	Designated Activity Company	2 – Non-mutual
DE	529900ZCYVG2XCGFW984	1 – LEI ¹	Ampega Asset Management GmbH	99 – Other	GmbH	2 – Non-mutual
DE	529900HLKNZ5YVW20989	1 – LEI ¹	HDI Global SE	2 – Non life insurance undertaking	Societas Europaea	2 – Non-mutual
DE	5299004TVO69XVTS4H53	1 – LEI ¹	HNG Hannover National Grundstücksverwaltung GmbH & Co KG	99 – Other	GmbH & Co. KG	2 – Non-mutual
DE	529900ZEIO14JVC8JU96	1 – LEI ¹	HDI Pensionsmanagement AG	99 – Other	Aktiengesellschaft	2 – Non-mutual
DE	529900SICUWBWCURTH85	1 – LEI ¹	HDI International AG	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Aktiengesellschaft	2 – Non-mutual
DE	529900YBDYSZBMIX1F09	1 – LEI ¹	HDI Deutschland Bancassurance Communication Center GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
IT	815600EF0AF57568B157	1 – LEI ¹	InLinea S.p.A.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni	2 – Non-mutual
DE	529900UF10J0RCXW6458	1 – LEI ¹	HDI AG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Aktiengesellschaft	2 – Non-mutual
DE	529900YWH99PMNR5YU58	1 – LEI ¹	Talanx Reinsurance Broker GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
IT	81560019620C3DDBE968	1 – LEI ¹	HDI Immobiliare S.r.l.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata	2 – Non-mutual
DE	5299009YFIHT1GJFAZ72	1 – LEI ¹	Riethorst Grundstücksgesellschaft AG & Co. KG	99 – Other	AG & Co. KG	2 – Non-mutual
DE	529900SWM4GTF2GY7X13	1 – LEI ¹	HDI Pensionskasse AG	9 – Institution for occupational retirement provision	Aktiengesellschaft	2 – Non-mutual
CL	959800P259XQ66E38628	1 – LEI ¹	Inversiones HDI Limitada	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limitada	2 – Non-mutual
IE	635400LY9W2REPRNRV92	1 – LEI ¹	HDI Reinsurance (Ireland) SE	3 – Reinsurance undertaking	Societas Europaea	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	% Capital share	Criteria of influence				Inclusion in the scope of Group supervision		Group solvency calculation	
		% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
Komisja Nadzoru Finansowego	38.37%	100.00%	38.37%		2 – Significant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
Central Bank of Ireland	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
Central Bank of Ireland	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
Central Bank of Ireland	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
ES	959800F32QE9N0KYEQ11	1 – LEI ¹	Saint Honore Iberia S.L.	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Sociedades de Responsabilidad Limitada	2 – Non-mutual
AR	213800756VXOZ65G3V79	1 – LEI ¹	Protecciones Esenciales S.A.	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Societe Anonyme	2 – Non-mutual
DE	529900FS021VQ3ISOS54	1 – LEI ¹	HDI AI EUR Beteiligungs-GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
DE	529900XW6LJ822J4OT12	1 – LEI ¹	TD Real Assets GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900FTRR2EM03T8G68	1 – LEI ¹	TD-BA Private Equity GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900RKG4NNEA9BMJ58	1 – LEI ¹	TD-Sach Private Equity GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	5299009ECJ8Q2DAJV355	1 – LEI ¹	WP Mörsdorf Nord GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	52990007UIQSO82V2F89	1 – LEI ¹	WP Berngerode GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	5299001AZ2KKWZIG7Z69	1 – LEI ¹	Windfarm Bellheim GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	5299001DP9204DC6CM55	1 – LEI ¹	Talanx Infrastructure France 1 GmbH	99 – Other	GmbH	2 – Non-mutual
DE	529900YMXR7QX6N35M87	1 – LEI ¹	Talanx Infrastructure France 2 GmbH	99 – Other	GmbH	2 – Non-mutual
DE	5299008ZN4QWCZIZL516	1 – LEI ¹	HDI AI USD Beteiligungs-GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
FR	529900902TFA4EYAN694	1 – LEI ¹	Ferme Eolienne des Mignaudières S.N.C.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.N.C. – société en nom collectif	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	% Capital share	Criteria of influence				Inclusion in the scope of Group supervision		Group solvency calculation
		% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied	
C0080	C0180	C0190	C0200	C0210		C0230	C0250	
Comisión Nacional del Mercado de Valores	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Superintendencia de Seguros de la Nación	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
	60.83%	100.00%	60.83%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	72.29%	100.00%	72.29%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015 1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
FR	529900MEL8QUUHUJA531	1 – LEI ¹	Ferme Eolienne du Confolentais S.N.C	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.N.C. – société en nom collectif	2 – Non-mutual
DE	529900UWU22R5R3F9127	1 – LEI ¹	Windpark Mittleres Mecklenburg GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900WWYAQTM2Y1E89	1 – LEI ¹	Windpark Sandstruth GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900Y6B02ED146L956	1 – LEI ¹	Windpark Vier Fichten GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
FR	529900TFC2KDSBG7B892	1 – LEI ¹	Le Souffle des Pellicornes S.N.C	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.N.C. – société en nom collectif	2 – Non-mutual
FR	529900JLM3UNZF9J8217	1 – LEI ¹	Le Chemin de la Milaine S.N.C	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.N.C. – société en nom collectif	2 – Non-mutual
FR	5299001QKVWJMI6AIM24	1 – LEI ¹	Les Vents de Malet S.N.C	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.N.C. – société en nom collectif	2 – Non-mutual
DE	529900UVFJK6NTH0N252	1 – LEI ¹	Infrastruktur Ludwigsau GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900DC7DM66DMGY904	1 – LEI ¹	Windpark Parchim GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900QBHNBO0WC55N50	1 – LEI ¹	Windpark Rehaiin GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900F2F9VZ5FRROH89DE2930	2 – Specific code	HLV Real Assets GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	894500ZPO7CSFUV52P13	1 – LEI ¹	Leben Köln offene Investment GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope	19.11.2015	1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	36.47%	100.00%	36.47%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope		1 – Method 1: Full consolidation

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	71.51%	100.00%	71.51%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Finansinspektionen	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
DE	529900F2F9VZ5FRROH89DE2953	2 – Specific code	HINT Europa Beteiligungs AG & Co. KG	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	AG & Co. KG	2 – Non-mutual
LU	529900F2F9VZ5FRROH89LU2967	2 – Specific code	Infrastorm Co-Invest 1 SCA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	SCA	2 – Non-mutual
DE	529900XW6LJ822J4OT12	1 – LEI ¹	HD Real Assets GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	529900F2F9VZ5FRROH89DE2978	2 – Specific code	Kop4 GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR2981	2 – Specific code	Liberty International Brasil Ltda	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Ltda	2 – Non-mutual
DE	529900F2F9VZ5FRROH89DE2988	2 – Specific code	Zweite Riethorst Grundstücks-Gesellschaft AG & Co. KG	99 – Other	AG & Co. KG	2 – Non-mutual
DE	529900KIN5BE45V5KB18	1 – LEI ¹	Hannover Rück SE	3 – Reinsurance undertaking	Societas Europaea	2 – Non-mutual
DE	529900UCN37OZCXGVW88	1 – LEI ¹	E+S Rückversicherung AG	3 – Reinsurance undertaking	Aktiengesellschaft	2 – Non-mutual
DE	529900CVDPRXCJVE142	1 – LEI ¹	Hannover Rück Beteiligung Verwaltungs-GmbH	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	GmbH	2 – Non-mutual
DE	529900C8JEJ7MZN9VI80	1 – LEI ¹	Hannover Re Euro RE Holdings GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
DE	5299006VRCH42OB3EP37	1 – LEI ¹	FUNIS GmbH & Co. KG	99 – Other	GmbH & Co. KG	2 – Non-mutual
DE	549300YLZ5DSOIZ59059	1 – LEI ¹	HR GLL Central Europe GmbH & Co. KG	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	2 – Non-mutual
DE	549300GPJQXSRQWH5C33	1 – LEI ¹	HR GLL Central Europe Holding GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
DE	529900UQQBCC0TP4AW78	1 – LEI ¹	Hannover Re Global Alternatives GmbH & Co. KG	99 – Other	GmbH & Co. KG	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	74.39%	100.00%	74.39%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	69.73%	100.00%	69.73%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	56.80%	100.00%	56.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	56.80%	100.00%	56.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	26.30%	100.00%	26.30%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.59%	100.00%	35.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
DE	213800S53FEZ84V7BH85	1 – LEI ¹	Cor F 25. GmbH & Co. KG	99 – Other	GmbH & Co. KG	2 – Non-mutual
DE	529900CLSCJVLXC7SQ37	1 – LEI ¹	HR AI Komplementär GmbH (EURO)	99 – Other	GmbH	2 – Non-mutual
DE	5299003LT1B4MBMQXD51	1 – LEI ¹	Hannover RE AA PE Partners III GmbH & Co. KG (USD)	99 – Other	GmbH & Co. KG	2 – Non-mutual
DE	529900U6F8FBTEMASL62	1 – LEI ¹	Hannover Re Global Holding GmbH (USD)	99 – Other	GmbH	2 – Non-mutual
DE	529900QPX64UB3MYL769	1 – LEI ¹	Hannover Re Euro PE Holdings II GmbH & Co. KG (EURO)	99 – Other	GmbH & Co. KG	2 – Non-mutual
GB	529900BHLQW6PM25M246	1 – LEI ¹	Hannover Finance (UK) Limited	99 – Other	Limited company	2 – Non-mutual
GB	52990035DFXQFLMLZ09	1 – LEI ¹	Hannover Services (UK) Limited	99 – Other	Limited company	2 – Non-mutual
IE	529900UG47HZHDYUAF16	1 – LEI ¹	Hannover Re (Ireland) Designated Activity Company	3 – Reinsurance undertaking	Designated Activity Company	2 – Non-mutual
LU	529900VD3JJO5FDXE22	1 – LEI ¹	Hannover Finance (Luxembourg) S.A.	99 – Other	Societe Anonyme	2 – Non-mutual
GB	529900D65EKMMMUX2G31	1 – LEI ¹	Inter Hannover (No.1) Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900UISME5E81IDO82	1 – LEI ¹	Integra Insurance Solutions Limited	99 – Other	Limited company	2 – Non-mutual
LU	52990008WS81OA95IP08	1 – LEI ¹	Leine Investment General Partner S.à.r.l.	99 – Other	S.à.r.l.	2 – Non-mutual
LU	529900VNNTPE5EBWBP53	1 – LEI ¹	Leine Investment SICAV-SIF	99 – Other	Investmentgesellschaft mit variablem Kapital (SICAV)	2 – Non-mutual
PL	5493002QC0DEKBO4G348	1 – LEI ¹	HR GLL Liberty Corner SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Spółka z ograniczoną odpowiedzialnością	2 – Non-mutual
PL	549300HL8QN2XQ9FCH74	1 – LEI ¹	HR GLL Griffin House SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Spółka z ograniczoną odpowiedzialnością	2 – Non-mutual
CZ	549300WD2TJ9QU6GWY75	1 – LEI ¹	Akvamarin Beta s.r.o.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Společnost s ručením omezeným	2 – Non-mutual
LU	222100WYWKOAF5W43	1 – LEI ¹	HR GLL Europe Holding S.à.r.l.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.à.r.l.	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	35.59%	100.00%	35.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	33.44%	100.00%	33.44%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	39.88%	100.00%	39.88%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	39.88%	100.00%	39.88%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.16%	100.00%	38.16%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Central Bank of Ireland	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Financial Conduct Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Commission de Surveillance du Secteur Financier	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Commission de Surveillance du Secteur Financier	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
RO	549300TX5N2HGMRKNP36	1 – LEI ¹	HR GLL CDG Plaza S.r.l.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata	2 – Non-mutual
GB	549300RMN2K7WHXVBZ62	1 – LEI ¹	Argenta Holdings Limited	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3143	2 – Specific code	Argenta Private Capital Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3144	2 – Specific code	APCL Corporate Director No.1 Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3145	2 – Specific code	APCL Corporate Director No.2 Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3147	2 – Specific code	Fountain Continuity Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3148	2 – Specific code	Names Taxation Service Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3149	2 – Specific code	Argenta Secretariat Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3150	2 – Specific code	Argenta Continuity Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3151	2 – Specific code	Argenta General Partner Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3152	2 – Specific code	Argenta LLP Services Limited	99 – Other	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3153	2 – Specific code	Argenta SLP Continuity Limited	99 – Other	Limited company	2 – Non-mutual
GB	549300NR7H6YCWHRV816	1 – LEI ¹	Argenta Syndicate Management Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual

¹ LEI = Legal Entity Identifier

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
		C0020		C0040		C0060
GB	529900F2F9VZ5FRROH89GB3155	2 – Specific code	Argenta Tax & Corporate Services Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3156	2 – Specific code	Argenta Underwriting No.1 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3157	2 – Specific code	Argenta Underwriting No.2 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3158	2 – Specific code	Argenta Underwriting No.3 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3159	2 – Specific code	Argenta Underwriting No.4 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3160	2 – Specific code	Argenta Underwriting No.7 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3162	2 – Specific code	Argenta Underwriting No.9 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3163	2 – Specific code	Argenta Underwriting No.10 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3164	2 – Specific code	Argenta Underwriting No.11 Limited	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3168	2 – Specific code	Residual Services Limited	99 – Other	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3169	2 – Specific code	Residual Services Corporate Director Limited	99 – Other	Limited company	2 – Non-mutual
CZ	549300CLZQV201B75M06	1 – LEI ¹	3541 PRG s. r. o.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Společnost s ručením omezeným	2 – Non-mutual
SK	549300YIU6AWIM5ZR50	1 – LEI ¹	92601 BTS s. r. o.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Společnost s ručením omezeným	2 – Non-mutual
PL	3912001YVJQ966NY2X60	1 – LEI ¹	Highgate sp. z o.o.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Spółka z ograniczoną odpowiedzialnością	2 – Non-mutual
GB	894500KMB1W0K0AXZI45	1 – LEI ¹	Hannover Re Holdings (UK) Ltd.	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3183	2 – Specific code	Argenta General Partner II LLP	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Partnership	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Narodna Banka Slovenska	35.58%	100.00%	35.58%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.59%	100.00%	35.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
		C0020				
					C0040	
						C0060
ES	391200PF2PJLYBVMK810	1 – LEI ¹	193 BCN, S. L.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sociedades de Responsabilidad Limitada	2 – Non-mutual
IE	529900F2F9VZ5FRROH89IE3185	2 – Specific code	Argenta Underwriting (Europe) Limited	99 – Other	Limited company	2 – Non-mutual
LU	529900YLFNTC0AC8T80	1 – LEI ¹	Star Grafton One S.à r.l.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.à r.l.	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3188	2 – Specific code	Argenta International Limited	99 – Other	Limited company	2 – Non-mutual
GB	529900F2F9VZ5FRROH89GB3189	2 – Specific code	Argenta Employee LLP	99 – Other	LLP	2 – Non-mutual
AU	529900DZPHNTOMMA5J43	1 – LEI ¹	Hannover Life Re of Australasia Ltd.	3 – Reinsurance undertaking	Limited company	2 – Non-mutual
BH	5299004675L44XVP9C34	1 – LEI ¹	Hannover Re Takaful B. S. C. ©	3 – Reinsurance undertaking	B. S. C.	2 – Non-mutual
SG	529900F2F9VZ5FRROH89SG3513	2 – Specific code	Argenta Underwriting Asia Pte. Ltd.	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
JP	549300EQNXKNZK421465	1 – LEI ¹	Peace G. K.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Goshi Kaisha	2 – Non-mutual
AU	549300WQYHKZP2A1XP38	1 – LEI ¹	M8 Property Trust	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Trust	2 – Non-mutual
AU	549300DQ08JNGGVPWW40	1 – LEI ¹	Markham Real Estate Partners (KSW) Pty Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Proprietary Limited	2 – Non-mutual
JP	549300YJHZD0LOFP2435	1 – LEI ¹	Morea Limited Liability Company	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
SG	549300IALYADI40ULX36	1 – LEI ¹	Ubitech Hub Pte. Ltd.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
JP	549300LMPJVRJEPVE41	1 – LEI ¹	Rocky G. K.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Goshi Kaisha	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	35.59%	100.00%	35.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	35.59%	100.00%	35.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Australian Prudential Regulation Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Central Bank of Bahrain	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Monetary Authority of Singapore	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
Financial Services Agency	38.06%	100.00%	38.06%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.06%	100.00%	38.06%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.06%	100.00%	38.06%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
SG	875500OQLW6BD1JTAQ21	1 – LEI ¹	CC Aeolus Pte. Ltd.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
NZ	875500SGI0R8HCFWL40	1 – LEI ¹	Bowen Investment Limited Partnership	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Partnership	2 – Non-mutual
SG	875500N3S243SC3TK818	1 – LEI ¹	CC Anchor Pte. Ltd.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	52990093VS65DD9T6936	1 – LEI ¹	Hannover Finance, Inc.	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Inc.	2 – Non-mutual
US	529900K1TE875UAY4J22	1 – LEI ¹	Hannover Life Reassurance Company of America	3 – Reinsurance undertaking	Corporation	2 – Non-mutual
BM	5299006Z28DLZOTDJU30	1 – LEI ¹	Hannover Re (Bermuda) Ltd.	3 – Reinsurance undertaking	Limited company	2 – Non-mutual
US	549300KQ0VPBEY4OC11	1 – LEI ¹	Hannover Re Real Estate Holdings, Inc.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Inc.	2 – Non-mutual
BM	549300JLOMB4MP1ESD46	1 – LEI ¹	Kaith Re Ltd.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	549300D6CJG6KN28GX31	1 – LEI ¹	GLL HRE CORE PROPERTIES LP	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Partnership	2 – Non-mutual
US	549300V5OUSRAN9QD25	1 – LEI ¹	402 Santa Monica Blvd LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	254900Y5RUP8VBLYN019	1 – LEI ¹	Glencar Underwriting Managers Inc.	99 – Other	Inc.	2 – Non-mutual
US	549300C8XYDCFPE1XR53	1 – LEI ¹	Nashville West LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	549300YQ8HLYBSM5HP74	1 – LEI ¹	975 Carrol Square LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts		Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
		C0180	C0190						
		38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		30.76%	100.00%	30.76%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Florida Office of Insurance Regulation		40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority		40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.66%	100.00%	38.66%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority		36.69%	100.00%	36.69%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
		38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
US	549300TYNR4Y55IM5K12	1 – LEI ¹	590ATL LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	5493008PZEGGJD48HV08	1 – LEI ¹	Broadway 101, LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	549300D47MZ1GGMQB039	1 – LEI ¹	River Terrace Parking, LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
BM	529900QCKQOGEKXL8E19	1 – LEI ¹	Hannover Life Reassurance Company of America (Bermuda) Ltd.	3 – Reinsurance undertaking	Limited company	2 – Non-mutual
BM	529900F2F9VZ5FRROH89BM4055	2 – Specific code	LI RE	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	part of a Ltd.	2 – Non-mutual
US	549300N510L0O02SLC42	1 – LEI ¹	111ORD, LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	549300GCLHBN8EQOB582	1 – LEI ¹	7550IAD, LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	5299007H398DL62ARJ95	1 – LEI ¹	Sand Lake Re, Inc.	3 – Reinsurance undertaking	Inc.	2 – Non-mutual
US	5493005GSDKHHKEJY321	1 – LEI ¹	140EWR, LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	549300E8O4O6YOJZ2X17	1 – LEI ¹	101BOS LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	549300XEH7IQ3RFZRM12	1 – LEI ¹	3290ATL LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
KY	54930050I34EY8NKX23	1 – LEI ¹	HR US Infra Debt LP	99 – Other	Limited Partnership	2 – Non-mutual
US	549300MX0WUUGWE3FQ85	1 – LEI ¹	HR US Infra Equity LP	99 – Other	Limited Partnership	2 – Non-mutual
US	54930076PK14HAIBHZ69	1 – LEI ¹	320AUS LLC	99 – Other	Limited Liability Company	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	% Capital share	Criteria of influence				Inclusion in the scope of Group supervision		Group solvency calculation
		% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied	
C0080	C0180	C0190	C0200	C0210		C0230	C0250	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Cayman Islands Monetary Authority	38.44%	100.00%	38.44%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.66%	100.00%	38.66%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
KY	549300UPDZDDBP4KEF55	1 – LEI ¹	PAG Real Estate Asia Select Fund Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	529900O08YKHPFUDWJ59	1 – LEI ¹	Glencar Insurance Company	2 – Non life insurance undertaking	Insurance Company	2 – Non-mutual
US	5493008IGI1HI24QOG45	1 – LEI ¹	1600FLL LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
BM	529900FGN59U7V082Q98	1 – LEI ¹	Kubera Insurance (SAC) Ltd	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	549300M010PV3K8W1L08	1 – LEI ¹	2530AUS LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	54930074HCQHSVOQJM89	1 – LEI ¹	7550BWI LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
US	5493002FP6K5YZ60VE66	1 – LEI ¹	7659BWI LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
BM	529900FGN59U7V082Q98	1 – LEI ¹	Kubera Insurance (SAC) Ltd. (Annuity Reins Cell A1)	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	549300APDZN0PGHM9Q96	1 – LEI ¹	ASF Spectrum Limited	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited company	2 – Non-mutual
US	549300HVQI52TJGRM666	1 – LEI ¹	7653BWI LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
CL	391200ZUK0YE2V3UMV46	1 – LEI ¹	HRE Core Properties Chile Holding SpA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni	2 – Non-mutual
CL	391200A6ESKL2FSKO392	1 – LEI ¹	Apoquinodo CL SpA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni	2 – Non-mutual
CL	391200WG1RT4X3KMAO59	1 – LEI ¹	Apoquinodo 5400 Chile Holding S.A.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sociedad Anonima	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	% Capital share	Criteria of influence				Inclusion in the scope of Group supervision		Group solvency calculation
		% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied	
C0080	C0180	C0190	C0200	C0210		C0230	C0250	
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Bermuda Monetary Authority	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.45%	100.00%	38.45%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
		C0020		C0040		C0060
CL	391200YOENIX76KFX042	1 – LEI ¹	Magdalena CL SpA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni	2 – Non-mutual
CL	391200YOT56994GUIP76	1 – LEI ¹	Magdalena Chile Holding S.A.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sociedad Anonima	2 – Non-mutual
CL	391200N0XOI2JWUUTC78	1 – LEI ¹	Ombú CL SpA	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni	2 – Non-mutual
CL	3912008NM1ZRG8NZSQ98	1 – LEI ¹	Ombú Chile Holding S.A.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sociedad Anonima	2 – Non-mutual
US	529900F2F9VZ5FRROH89US4088	2 – Specific code	1375MCO LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
MX	5493000FWIOZUXUS1R87	1 – LEI ¹	PLC Elite Mexico Logistics, S. de R. L. de C.V.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sociedad de Responsabilidad Limitada de Capital Variable	2 – Non-mutual
US	529900F2F9VZ5FRROH89US4090	2 – Specific code	11809AUS LLC	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Liability Company	2 – Non-mutual
ZA	378900D7F367687B8098	1 – LEI ¹	Hannover Reinsurance Group Africa (Pty) Ltd.	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Proprietary Limited	2 – Non-mutual
ZA	529900M1UMQOVTEB1S75	1 – LEI ¹	Hannover Africa Limited	99 – Other	Limited company	2 – Non-mutual
ZA	52990068N6RJ52AP6917	1 – LEI ¹	Hannover Re South Africa Limited	3 – Reinsurance undertaking	Limited company	2 – Non-mutual
ZA	3789007C6EE73FD3F038	1 – LEI ¹	Landmark Underwriting Agency Proprietary Limited	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	378900617FFAFF2DD945	1 – LEI ¹	Commercial & Industrial Acceptances (Pty) Ltd.	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	378900E10DCB23AB3431	1 – LEI ¹	Garagesure Consultants And Acceptances Proprietary Limited	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	37890009AA06E5687658	1 – LEI ¹	Hospitality Industrial and Commercial Underwriting Managers (Pty) Ltd.	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	378900E2931F95685C74	1 – LEI ¹	Lireas Holdings (Pty) Ltd.	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Proprietary Limited	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
							Yes/no		
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	38.62%	100.00%	38.62%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	18.61%	100.00%	18.61%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	30.36%	100.00%	30.36%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	25.57%	100.00%	25.57%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	24.15%	100.00%	24.15%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	
	28.41%	100.00%	28.41%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation	

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
ZA	378900817A06339CFE36	1 – LEI ¹	Compass Insurance Company Ltd.	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
ZA	378900884E9689259A35	1 – LEI ¹	MUA Insurance Acceptances Proprietary Limited	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	378900B5CDA8AD466115	1 – LEI ¹	Film & Entertainment Underwriters SA (Pty) Ltd.	99 – Other	Proprietary Limited	2 – Non-mutual
ZA	3789000AAE17D6171959	1 – LEI ¹	Firedart Engineering Underwriting Managers (Pty) Ltd	99 – Other	Proprietary Limited	2 – Non-mutual
DE	529900255TMPANR40247	1 – LEI ¹	Hannover Beteiligungsgesellschaft mbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Beteiligungsgesellschaft mbH	2 – Non-mutual
DE	529900BX7MDBNZEVQ974	1 – LEI ¹	HDI Global Network AG	2 – Non life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
MX	529900CXCUJQL451IH27	1 – LEI ¹	HDI Global Seguros S. A., Mexico-City	2 – Non life insurance undertaking	Societe Anonyme	2 – Non-mutual
ZA	529900IWXVWVAGY8AY30	1 – LEI ¹	HDI Global SA Ltd.	2 – Non life insurance undertaking	Limited company	2 – Non-mutual
US	5493002EWFK3CXXECD75	1 – LEI ¹	HDI Global Insurance Company	2 – Non life insurance undertaking	Insurance Company	2 – Non-mutual
US	549300N5H2Q0AK75BC33	1 – LEI ¹	HDI Specialty Insurance Company	2 – Non life insurance undertaking	Insurance Company	2 – Non-mutual
DE	5299004Y9OOH1UB9EH77	1 – LEI ¹	HDI Lebensversicherung AG	1 – Life insurance undertaking	Aktiengesellschaft	2 – Non-mutual
PL	529900VTL1PSGPCZ6Q28	1 – LEI ¹	Towarzystwo Ubezpieczen na Zycie "WARTA" S.A.	1 – Life insurance undertaking	Spółka akcyjna	2 – Non-mutual
DE	529900WD49KS81UGEV46	1 – LEI ¹	HDI Deutschland Bancassurance Kundenmanagement GmbH & Co. KG	5 – Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	GmbH & Co. KG	2 – Non-mutual
DE	5299003DXWKZFV5FIB91	1 – LEI ¹	Talanx Infrastructure Portugal 2 GmbH	99 – Other	GmbH	2 – Non-mutual
DE	529900KLB9KCYUOIL72	1 – LEI ¹	HDI Risk Consulting GmbH	10 – Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	2 – Non-mutual
DE	5299004LHMISF547CM64	1 – LEI ¹	Ampega Investment GmbH	99 – Other	GmbH	2 – Non-mutual
DE	52990010M0B4KD5EE009	1 – LEI ¹	Ampega-nl-Euro-DIM-Fonds	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	5299007Y6T1JH0GB355	1 – LEI ¹	Ampega-nl-Global-Fonds	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts		Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
		% Voting rights							
C0080	C0180	C0190	C0200	C0210		C0230	C0250		
	40.59%	100.00%	40.59%		2 – Significant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	28.41%	100.00%	28.41%		2 – Significant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	28.41%	100.00%	28.41%		2 – Significant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	28.41%	100.00%	28.41%		2 – Significant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
Comisión nacional de seguros y fianzas	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
Financial Services Board	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
Illinois Department of Insurance	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
Illinois Department of Insurance	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	19.11.2015	1 – Included in the scope	1 – Method 1: Full consolidation
Komisja Nadzoru Finansowego	58.13%	100.00%	58.13%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	51.80%	100.00%	51.80%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation
	51.80%	100.00%	51.80%		1 – Dominant	100.00%		1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
DE	529900W8XX5KR39OM080	1 – LEI ¹	Ampega-nl-Rent-Fonds	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900NQM5NP5HFZR839	1 – LEI ¹	Gerling Immo Spezial 1	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900XOIBXTDP1WF084	1 – LEI ¹	GKL SPEZIAL RENTEN	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900RGWUQHDG7JCD08	1 – LEI ¹	HGLV-Financial	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	5299001HS099UBOT0B76	1 – LEI ¹	EURO-Rent 3 Master	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900WNVUQU1CUQW668	1 – LEI ¹	HDI Gerling-Sach Industrials Master	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900NPX05DVG6N147	1 – LEI ¹	TAL-Corp	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	5299007CH3G8AO2PKL43	1 – LEI ¹	Talanx Deutschland Real Estate Value	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900GWQQDRAWYZBR11	1 – LEI ¹	NL Master	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	5299008DQNJ4RILKA985	1 – LEI ¹	HDI Globale Equities	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900HDZ0EGKMLML7L83	1 – LEI ¹	TAL Aktien	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900NZMGH5XAVMH447	1 – LEI ¹	HV Aktien	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900JVTW5YPCLIRN67	1 – LEI ¹	HDI Global SE Absolute Return	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900DAACNC5KI99M98	1 – LEI ¹	HDI VaG Master	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900NRKA99W796HS03	1 – LEI ¹	HLV Municipal Fonds	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	529900IADUQ3BXTEUA13	1 – LEI ¹	nl LV Municipal Fonds	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR6046	2 – Specific code	G5 Aconcagua Fundo Renta Fixa Referenciado DI	99 – Other	Fonds	2 – Non-mutual
BR	529900F2F9VZ5FRROH89BR6047	2 – Specific code	SOMPO SEGUROS FUNDO DE INVESTIMENTO RENDA FIXA	99 – Other	Fonds	2 – Non-mutual
AT	529900HZI6YFLNWOHX79	1 – LEI ¹	Ampega-Vienna-Bonds-Master-Fonds-Deutschland	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
FR	969500PMBRQ2QJEZ4M24	1 – LEI ¹	Fracom FCP	99 – Other	FCP	2 – Non-mutual
PL	259400EH7UQNR7GI1O14	1 – LEI ¹	KBC ALFA Specjalistyczny Fundusz Inwestycyjny Otwarty	99 – Other	Fonds	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence						Inclusion in the scope of Group supervision	Group solvency calculation
	% Capital share	% Used for the establishment of consolidated accounts	% Voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied	Method used and under method 1, treatment of the undertaking
							Yes/no	
C0080	C0180	C0190	C0200	C0210		C0230	C0250	
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	65.77%	100.00%	65.77%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	51.80%	100.00%	51.80%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	100.00%	100.00%	100.00%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	76.74%	100.00%	76.74%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
	40.59%	100.00%	40.59%		2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation
Komisja Nadzoru Finansowego	58.13%	100.00%	58.13%		1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation

DT13 – UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non-mutual)
	C0020		C0040		C0060	
BR	529900F2F9VZ5FRROH89BR6127	2 – Specific code	PEROLA NEGRA FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRATÉGIA INVESTIMENTO NO EXTERIOR	99 – Other	Fonds	2 – Non-mutual
DE	8945001ONQT9NQXAQ765	1 – LEI ¹	DDBR1	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500VJP6NKRSUH7232	1 – LEI ¹	HLV Aktien	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500B9KFZZFPMXZI19	1 – LEI ¹	Qualität & Sicherheit	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
IT	529900F2F9VZ5FRROH89IT6132	2 – Specific code	ICAV Amissima Multi Credit Assets	99 – Other	Fonds	2 – Non-mutual
DE	8945000VED5UFTAFEB31	1 – LEI ¹	HPK-Corporate	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500BU1CU3IKYUFH40	1 – LEI ¹	HLV Alternative Investment Beteiligungen (HLV AIF)/279	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500BT9N39BOBG5P95	1 – LEI ¹	nL LV Alternative Investment Beteiligungen (NLL AIF)/281	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500BTVTABVLMYRX59	1 – LEI ¹	TAL Alternative Investment Beteiligungen (TAL AIF)/280	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500ZTDFUROVQ1SD43	1 – LEI ¹	HPK Alternative Investment Beteiligungen/283	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
DE	894500ZTIZEJBV1XFX27	1 – LEI ¹	PBL Alternative Investment Beteiligungen/282	99 – Other	Sondervermögen nach deutschem Recht (KAGB)	2 – Non-mutual
IT	529900F2F9VZ5FRROH89IT6141	2 – Specific code	Callisto	99 – Other	Fonds	2 – Non-mutual
DE	529900GXO87AB0U5EK12	1 – LEI ¹	HDI Pensionsfonds AG	9 – Institution for occupational retirement provision	Aktiengesellschaft	2 – Non-mutual

¹ LEI = Legal Entity Identifier

Supervisory authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation	
	% Capital share	% Used for the establishment of consolidated accounts		Other criteria	Level of influence	Proportional share used for Group solvency calculation	Date of decision if Art. 214 is applied		Method used and under method 1, treatment of the undertaking
		C0180	C0190						
Superintendência de Seguros Privados	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	35.46%	100.00%	35.46%	2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
Istituto per la Vigilanza sulle assicurazioni	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	51.80%	100.00%	51.80%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
Istituto per la Vigilanza sulle assicurazioni	35.58%	100.00%	35.58%	2 – Significant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		
	76.74%	100.00%	76.74%	1 – Dominant	100.00%	1 – Included in the scope	1 – Method 1: Full consolidation		

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This is a translation of the original German text; the German version shall be authoritative in case of any discrepancies in the translation.

