HDI Global SE

2023 Annual Report

HDI Global SE at a glance

		2023	2022
Gross premium income	EUR million	6,490	5,796
Increase/decrease in gross premium income	%	12.0	13.5
Income from premiums earned for own account	EUR million	2,252	2,220
Expenses on insurance claims for own account	EUR million	1,516	1,759
Loss ratio for own account[1)]	%	67.3	79.2
Expenses for insurance operations for own account	EUR million	418	415
Expense ratio for own account[2)]	%	18.5	18.7
Underwriting result before equalisation reserve for own account	EUR million	296	51
Combined ratio for own account	%	85.9	97.9
Investments	EUR million	9,697	9,302
Investment income	EUR million	323	292
Non-underwriting result[4)]	EUR million	70	138
Result from ordinary activities	EUR million	207	189
Tax expense	EUR million	79	71
Loss (–)/ profit transferred under a profit-and-loss transfer agreement	EUR million	128	118
Operating profit/loss (result from ordinary activities less changes in the equalisation reserve)	EUR million	366	190
Capital, reserves and underwriting provisions			
Equity	EUR million	409	409
Subordinated liabilities	EUR million	380	380
Equalisation reserve and similar provisions for own account	EUR million	962	804
Other underwriting provisions for own account[5)]	EUR million	8,075	7,834
Total	EUR million	9,826	9,427
Of earned premiums for own account	%	436.3	424.6
Ratio of underwriting provisions for own account[6)]	%	316.5	321.1
Insurance contracts	1,000	769	712
Reported claims	1,000	225	203
Average number of employees throughout the year *German employees transferred to HDI AG as of March 1, 2022*	Number	1,133	1,499

1) *Expenses on insurance claims for own account as a percentage of premiums earned for own account*
2) *Expenses on insurance operations for own account as a percentage of premiums earned for own account*
3) *Sum of expenses on insurance claims for own account and expenses on insurance operations for own account as a percentage of earned premiums for own account*
4) *Sum of net investment income and other comprehensive income*
5) *Excluding provision for premium refunds*
6) *Provision for outstanding claims for own account as a percentage of earned premiums for own account*

For computational reasons, the tables may show rounding differences of +/- one unit count. Monetary amounts that are smaller than EUR 0.5 thousand are shown as ‚0‘. Figures that are not available for the Company are marked with an ‚n-dash‘.

Contents

Ladies and Gentlemen,

The year 2023 was marked by transformation for industry worldwide. We are all preoccupied with the transition to carbon-neutral technologies, the use of generative artificial intelligence (AI) in data analysis, developments in the area of mobility and the Industrial Internet of Things (IIoT) with its smart sensors, just to name a few.

All of this presents challenges to businesses and creates uncertainty. Yet changes also provide opportunities for businesses to offer groundbreaking solutions with innovative products that have a genuine impact on the world or to improve internal processes. HDI Global aspires to be the reliable and strong partner for businesses, providing the support they need to take advantage of their opportunities even in a world full of volatility, uncertainty, complexity and ambiguity.

At this point, I can tell you that we as HDI Global successfully concluded the 2023 financial year. We grew profitably in all lines of business and nearly all countries. That is the basic prerequisite for filling our vision – indeed our self-image – with life every day. We are HDI Global: the stable and long-term partner for industry in times of transformation.

When transformation is a factor, new risks are usually involved. For example, entering new markets or the use of new technologies that have not yet been sufficiently researched. In these situations, we are there with innovative insurance solutions and valuable services that must keep pace with the latest developments. For example, establishing a new factory in a country that is unfamiliar to the company. Within the framework of our international programmes we offer insurance protection that meets local legal and regulatory requirements.

We also help in the choice of location by using our innovative tool HDI Green 4.0 to identify site-related and future-oriented risks in concrete terms. And should there be no suitable insurance solution or there are reasons why a business bears a risk in a captive itself, HDI Global is present worldwide as a leading provider of captive solutions with the corresponding services.

Acting as a reliable partner requires that we appropriately evaluate, define and quantify risks in order to find the most suitable insurance or service solutions. It is crucial that we do not take a blanket approach, but instead work together with our customers and partners to seek a solution that is satisfying for everyone.

We can only be a reliable Partner In Transformation if we ourselves are financially strong and resilient. Our customers want to work together with a company that has the resources necessary to continue to be capable of meeting its obligations in the coming years. This is the foundation of our business model. For this reason, and to bolster our customers‘ business, we work hard every day.

Naturally, we also utilise the newest technologies ourselves to continuously improve our own expertise and processes. For example, many colleagues at HDI Global have engaged with generative artificial intelligence in their work processes over the past year. With an internally developed generative AI solution we have created the possibility of gaining insights from unstructured data in real time. Our aim is above all to save HDI Global employees time in their daily work through optimised processes while adhering to applicable data protection and compliance requirements – which in the end directly benefits our customers and partners.

A first-class, high performance corporate culture is indispensable for all good and innovative processes. The objective of our corporate culture is, on the one hand, to create an environment for our employees in which they happily come to work and have fun working together in a team. On the other hand, it should create an environment that makes performance possible. With our corporate culture at HDI Global, we facilitate and promote the interaction of fun and performance at work. This is why we practice daily our T-O-P values: Together, Ownership and Performance. We are convinced that this is the best way for us to be there for our customers and partners.

Every day I experience this culture of constant further development and it makes me confident that HDI Global will continue to act as a reliable partner of worldwide industry in times of transformation in the years to come. This way, we will achieve ambitious corporate goals together with our customers and partners, for which I and HDI Global's entire Board of Management would like to express our personal thanks to our employees.

In addition, as the Board of Management team, we would also like to thank our customers and business partners for their close relationship with us and, in many cases, for their long-standing trust in our insurance solutions and services.

Yours sincerely,

Dr Edgar Puls
Chairman of the Board of Management of HDI Global

Report of the Supervisory Board

The Supervisory Board continuously monitored the Board of Management's conduct of business in the past financial year 2023 in accordance with the responsibilities incumbent on it under the law, the articles of association and the rules of procedure and received comprehensive oral and written reports from the Board of Management on the business development and economic position of the Company. The Chairman of the Supervisory Board was further informed by the Chairman of the Board of Management about important developments and upcoming decisions on a regular basis.

The Supervisory Board convened for two ordinary meetings on 3 March 2023 and 6 November 2023. During these meetings, the reports of the Board of Management on the current financial year and the economic and financial performance of the Company were discussed in detail. As part of the written and verbal reporting, the Supervisory Board was also informed about the Company‘s risk position as well as any changes that had occurred together with their causes.

Furthermore, the results of the annual self-assessment carried out by the members of the Supervisory Board – in accordance with the requirements of the insurance supervisory authority – on their knowledge in a number of important subject areas were discussed on a regular basis.

The Supervisory Board participated in the decisions of the Board of Management within the scope of its legal and statutory responsibility and assured itself that the management of the Company was conducted in a manner that was lawful, proper, appropriate and profitable. During the 2023 financial year, there was no occasion for the Supervisory Board to undertake examinations within the meaning of section 111(2) of the German Stock Corporation Act (AktG).

The Supervisory Board‘s Personnel Committee convened for two meetings in the reporting period and made recommendations to the full Supervisory Board regarding resolutions, in particular with respect to the remuneration of the members of the Board of Management.

Points of focus for the deliberations in plenary sessions

In addition to the Company's business development in the current financial year, the Supervisory Board's deliberations focused on issues relating to strategic alignment, potential acquisition projects and digital transformation. Furthermore, the operational planning of the Company for financial year 2024 was discussed in detail.

To the extent that the transactions and measures taken by the Board of Management required the approval of the Supervisory Board in accordance with the law, the articles of association and the rules of procedure, resolutions to that effect were adopted after a review and deliberations.

The Supervisory Board satisfied itself that the internal control and risk management systems were performing well and received ongoing reports on this from the Board of Management. In addition to risk management, the Supervisory Board was also informed about the current status of the other governance functions: the actuarial function, compliance and internal auditing.

Audit of the annual financial statements

The annual financial statements as at 31 December 2023 as well as the management report presented by the Board of Management, including the accounting, were audited by PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Hannover.

The auditors were appointed by the Company's Annual General Meeting; the Finance and Audit Committee issued the specific audit engagement.

The audit did not lead to any reservations. The unqualified audit opinion states that the accounting and the annual financial statements present fairly, in all material respects, the net assets, financial position and results of operations, and that the management report is consistent with the annual financial statements. The documentation for the annual financial statements and the PricewaterhouseCoopers GmbH audit reports were forwarded to all Supervisory Board members on a timely basis.

The independent auditor was present at the meeting of the Finance and Auditing Committee held on 7 March 2024 to discuss the annual financial statements and the management report, reported on the performance and quality of the audit, and was available to the Committee to provide additional information. The Committee discussed the annual financial statements prepared by the Board of Management, reviewed the audit report of the independent auditor, and addressed follow-up questions to the independent auditor on some specific points. The Committee arrived at the conclusion that the audit report was in compliance with sections 317 and 321 of the German Commercial Code (HGB) and that it did not raise any concerns. The Committee further concluded that the management report satisfied the requirements in section 289 HGB and conformed to the statements in the reports to the Supervisory Board pursuant to section 90 AktG. The management report was also consistent with the Committee's own assessment of the Company's position. The management report, and in particular the statements made therein regarding the future development of the Company, were approved by the Committee.

Following the final results of the Committee's examination of the annual financial statements and the management report, it concurred with the auditor's opinion and recommended that the Supervisory Board approve the annual financial statements prepared by the Board of Management.

Furthermore, the Committee examined the quality of the audit based on the report presented.

The auditor was also present at the meeting of the Supervisory Board held on the same day, summarised the items discussed at the Finance and Audit Committee meeting and presented the results of the audit. No objections are to be raised based on the final results of the examination of the annual financial statements and management report carried out by the Supervisory Board; consequently, the Supervisory Board concurred with the Committee's recommendation and approved the annual financial statements prepared by the Board of Management on 7 March 2024. The Annual Financial Statements are thereby adopted.

Composition of the Supervisory Board and the Board of Management

There were no changes in the composition of either the Supervisory Board or the Board of Management during the 2023 financial year. The Supervisory Board wishes to thank the members of the Board of Management and all employees for their commitment and contribution during the reporting period.

Hannover, 7 March 2024

Torsten Leue
(Chairman)

Management report

Basic principles of the Company

HDI Global SE is an entity of the Talanx Group and bundles the worldwide operations in the Industrial Lines Division. It is a wholly owned subsidiary of Talanx AG headquartered in Hannover, Germany.

For decades, HDI Global SE has been one of the leading insurance providers of corporate groups as well as industrial companies and small and medium-sized enterprises in Europe. Beyond its prominent presence in the German market, the Company conducts significant activities in 160 countries through foreign branch offices, subsidiaries and fellow subsidiaries as well as a network of partners. One of HDI Global SE's strategic objectives is globalisation in order to serve globally active clients with local policies even better by providing the specified service and insurance protection worldwide for all risks included.

From third-party liability, motor insurance, accident as well as fire and property insurance to marine and engineering insurance: HDI Global SE offers the complete range of products for the coverage of entrepreneurial risks. Global coverage in the form of international insurance programmes demonstrates the operational capabilities of the Company.

Report on economic position

Macroeconomic and industry-specific environment

Macroeconomic development

Declining but still elevated inflation, ongoing geopolitical tensions and the consequences of the more restrictive monetary policy of most central banks have slowed global economic momentum in 2023, but without plunging the global economy into recession. While global economic growth in 2022 (+3.5%) was already affected by the start of the Russian war against Ukraine and the resulting explosion in prices for energy and food commodities, the global economy only grew by 3.1% year-on-year in 2023.

In Germany, the weakness was attributable in particular to (energy-intensive) industry. Here, the Purchasing Managers' Index has been signalling a sustained contraction for 18 months, with the result that industrial production is now a good 10% below its pre-Covid level. Private households reduced their consumption considerably in the face of limited real wage growth compared with the previous year. Conversely, equipment investments were a positive surprise despite an uncertain geopolitical environment and higher interest rates, while the rise in interest rates once again curbed construction investments. The weaker global economic environment also caused exports to decline, meaning that German GDP fell by 0.3% year-on-year in 2023. This means that growth not only remained clearly short of the previous year's level, but also below that of the eurozone as a whole (expected to be +0.5%).

The US economy surprised with a high level of resilience in 2023: Despite an almost unprecedented cycle of interest rate hikes by the Fed (eleven rate hikes since March 2022) and the resulting turmoil in the banking sector in spring, the US economy proved itself robust and is expected to have grown by 2.5% year-on-year. This development was based on the continued robust labour market (with an unemployment rate of 3.6%), rising private and government consumption and declining inflation, which fell from its high of 9.1% in June 2022 to 3.4% in December 2023.

Growth in emerging and developing countries remained below the average of recent years in 2023, whereby a more differentiated picture emerges. Even though growth in Eastern Europe continued to be impacted by the ongoing Russia-Ukraine war, it nevertheless increased compared with the previous year. Growth in Latin America, on the other hand, slowed. China's economic recovery continued to lack momentum in the first year after the end of Covid-19 restrictions. While Chinese GDP rose sharply by 2.1% quarter-over-quarter at the start of the year, growth flattened considerably in the following quarters. This was due to the continuing unresolved turmoil in the real estate sector, which caused a significant deterioration in sentiment and weighed on private consumption, as well as to the slowdown in the global economy. Chinese GDP is expected to have grown by 5.2% year-on-year, just above the government's growth target of 5%.

Inflationary pressure eased worldwide in 2023. While the inflation rate in the eurozone was still at 8.4% in 2022, it fell to an annual average of 5.5% in 2023. The pace of inflation slowed over the course of the year. For example, while the annual inflation rate was 8.0% in the first quarter it was only 2.8% in the fourth quarter. The picture in the USA was similar, albeit at a slightly lower level. The annual average inflation rate fell from 8.0% in 2022 to 4.1% in 2023. At the beginning of the year, both the Fed and the ECB tightened their monetary policy and raised their key interest rates in four steps from 4.5% to 5.5% in the case of the Fed (upper limit) and in six steps from 2% to 4% in the case of the ECB (deposit rate) by the third quarter. In line with the declining inflationary pressure in the second half of the year, there were no further interest rate hikes.

Capital markets
The international capital markets held up well in the difficult environment of persistently higher inflation, concerns about an impending recession and aggressive interest rate hike cycles by many central banks over the course of 2023. Shares from the USA (S&P 500: +24.2%) closed ahead of the industrialised countries as a whole (MSCI World: +21.8%) and ahead of Europe (EURO STOXX 50: +19.2%), boosted by a year-end rally. Asian equity markets lagged well behind this development with slight price gains (MSCI ASIA EX JAPAN: 3.6%), with Chinese equities suffering heavy losses (MSCI CHINA: -13.2%). After yields on ten-year government bonds reacted to the rapidly tightening monetary policy environment with sharp increases last year, they largely moved sideways in the first half of the year before rising sharply into the fourth quarter in the face of new concerns about a more restrictive central bank policy. Yields on government bonds fell again at the end of the year as a result of declining inflationary momentum and the associated hopes of interest rate cuts in 2024. At the end of 2023, the yield on ten-year US Treasuries was 3.88% (+0.01 percentage points), while the yield on ten-year Bunds was 2.02% (-0.55 percentage points). The price of oil (Brent) also rose significantly from USD 86 to USD 97 per barrel at its peak, but at USD 77 per barrel at the end of the year was below the price at the start of the year. The euro climbed by 3.1% over the year to USD 1.10.

International insurance markets
Despite declining economic growth and persistent inflation, international property/casualty insurance also recorded real premium growth in 2023, while the industrial business benefited from a tough market.

Growth in the developed insurance markets was below that of the emerging markets and was characterised by a combination of high price momentum and weak economic development. Asia-Pacific recorded the strongest real premium growth, followed by Europe and North America. Positive real premium growth in emerging markets was driven in particular by strong growth in China.

Losses caused by natural catastrophes (NatCat losses) in the reporting period were once again below the previous year’s level, but clearly above the ten-year average. Most of the damage was caused by a large number of events of low to medium severity, in particular severe thunderstorms. However, the largest insured losses from natural catastrophes in 2023 were caused by the earthquake in Turkey and Syria. Damage from severe thunderstorms also increased in Europe in 2023, whereby Italy was particularly affected, with NatCat losses reaching a new record level.

International non-life reinsurance also recorded positive premium growth in the reporting period. There were again price increases in the course of the contract renewal rounds during the year as a result of ongoing geopolitical and macroeconomic uncertainties, the continuing trend towards high natural disaster impacts and the inflation trend.

German insurance industry
The development of property/casualty insurance in the German insurance industry in 2023 was characterised by inflation-related adjustments to sums and premiums. In motor insurance, there was a weak trend in average premiums and low portfolio growth due to the continued low number of new registrations and changes in ownership. Claims expenses were significantly higher than in the previous year due to inflation. Damage caused by natural hazards increased in 2023 compared with the previous year and was relatively stable at the level of the gradually increasing long-term average. The most severe natural hazard losses were caused by the summer storms “Kay” and “Lambert” in June of the reporting period.

Legal and regulatory environment

Insurance companies (primary insurers and reinsurance companies) and asset management companies are subject to comprehensive legal and financial supervision by supervisory authorities around the world. In the Federal Republic of Germany, this is the responsibility of the Federal Financial Supervisory Authority (BaFin). In addition, there are extensive legal requirements for business activities. In recent years, the regulatory framework has become more stringent, which has led to increasing complexity. This trend continued in 2023.

The marketing of insurance products is subject to extensive legal requirements. When cooperating with intermediaries, primary insurers must comply with the statutory requirements as well as the requirements of BaFin Circular 11/2018 Insurance Distributions governing cooperation with insurance intermediaries as well as regarding risk management relating to distribution. Product oversight and the governance requirements for insurance products are specified, among other things, by Delegated Regulation (EU) 2017/2358 of the European Commission. With the German Crowdfunding Accompanying Act a commission cap was enshrined in law which came into force on 1 July 2022 for the area of residual debt insurance. In addition, the Financing for the Future Act (ZuFinG)will introduce a seven day waiting period for the conclusion of residual debt insurance policies for general consumer credit agreements, which is to come into force on 1 January 2025.

Overarching aspects of business organisation ("system of governance") as well as key terms such as "proportionality", "management boards" and "supervisory boards" are explained from the perspective of the supervisory authority in BaFin Circular 2/2017 (VA) regarding the regulatory interpretation of the Minimum Requirements under Supervisory Law on the System of Governance of Insurance Undertakings (MaGo). Regardless of the lack of direct legally binding obligation of this Circular, the MaGo will also be taken into consideration in the structure of the HDI Global SE's organisation, in particular in the areas of general governance, key functions, the risk management system, requirements on own funds, the internal control system, outsourcing and business continuity management.

HDI Global SE is obligated to prevent money laundering based on the Money Laundering Act (GwG). Minimum standards for HDI Global SE are defined for this purpose by HDI V.a.G. as the parent company of the Talanx Group. The Group Money Laundering function rolled out a Group-wide risk analysis in all divisions driven by events or at least annually in the fourth quarter of the year based on the requirements of the German Money Laundering Act (GwG) and documents the risk-based measures taken by Group companies obligated to prevent money laundering. In addition, Group-wide reporting on a quarterly basis ensures the exchange of information within the Group. HDI Global SE's risk of being misused for money laundering or the financing of terrorism is classified as low overall.

Digitalisation has increased in significance in recent years. This is accompanied by a transition to digital, data-based business models; the resulting legal issues and challenges with a focus on IT security are also playing an increasingly important role for HDI Global SE. With Circular 10/2018 regarding Supervisory Requirements for IT in Insurance Undertakings (VAIT), the BaFin provided instructions for interpreting the provisions governing business organisation in the Insurance Supervision Act (VAG) insofar as they relate to the companies' technical/organisational provisioning.

The same applies with respect to Circular 11/2019 regarding Supervisory Requirements for IT in German Asset Managers (KAIT). These Circulars are updated and expanded on an ongoing basis. Furthermore, the agency published guidance for outsourcing to cloud providers. In addition, there were regulatory initiatives in 2023 at the level of the EU and in Germany for the development, implementation and use of artificial intelligence that also affect the insurance industry and whose development and concrete effect on HDI Global SE is being observed.

As a result of the EU's Digital Operational Resilience Act (DORA), there are new requirements in this context that insurance companies, among others, will have to meet beginning January 2025. This is intended to strengthen the European financial market against cyber risks as well as information and communication technology incidents. Further developments and the specific impact on HDI Global SE will be monitored. Where possible, the Company comments on the planned projects via its interest groups and prepares the implementation of the respective current regulatory requirements.

In HDI Global SE we handle extensive personal data, among other things, for the processing of applications and payments as well as the execution of contracts. In order to ensure compliance with data protection requirements, such as the EU General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG), the data protection management system is designed to observe and monitor the requirements. Employees are sensitised to the careful handling of data (training) and are committed in writing to compliance with data protection requirements. For process-independent data protection requirements, such as the commissioning of service providers, central procedures must be observed. The same applies to the data protection rights of customers, shareholders and employees.

Compliance with applicable laws is a requirement for the permanently successful operations of HDI Global SE. The Company pays close attention to adapting its business and products to the legal, regulatory and tax environment. The mechanisms installed for this purpose ensure that future legal developments and their effects on our business activities are identified and evaluated at an early stage so that we can make the necessary adjustments in good time.

Business performance

Insurance business as a whole

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	6,490	2,307	5,796	2,277
Premiums earned	6,198	2,252	5,586	2,220
Expenses for insurance claims	3,362	1,516	3,989	1,759
Expenses for insurance operations	1,064	418	950	415
Underwriting result for own account		137		51
In %				
Loss ratio*	54.2	67.3	71.4	79.2
Expense ratio**	17.2	18.6	17.0	18.7
Combined ratio***	71.4	85.9	88.4	97.9

** Expenses on insurance claims as a percentage of premiums earned.*

*** Expenses on insurance operations as a percentage of premiums earned.*

**** Sum of expenses on insurance claims and expenses on insurance operations as a percentage of premiums earned.*

HDI Global SE's gross written premiums increased by EUR 694 million to EUR 6,490 (5,796) million in the reporting period, thereby clearly exceeding expectations. This is due in particular to portfolio growth in the all-risk, marine and liability insurance lines.

Gross premiums for the financial year

EUR million, %		
All-risk insurance	2,157	33.2
Liability insurance	2,046	31.5
Engineering Insurance	660	10.2
Marine and aviation insurance	658	10.1
Motor insurance	455	7.0
Fire insurance	216	3.3
Other Insurance	215	3.3
Casualty insurance	84	1.3
Total	**6,490**	**100.0**

Net premiums earned increased significantly less than gross written premiums, rising by EUR 32 million to EUR 2,252 (2,220) million, which can be primarily attributed to adjustments to intra-group reinsurance.

Gross claims expenses fell sharply by EUR 627 million to EUR 3,362 (3,989) million, which can be attributed in particular to the positive developments in the all-risk insurance, engineering insurance and liability insurance lines.

Characteristic natural disasters included rain storm "Daniel" in Greece, the earthquake in Turkey and rain storm "Lambert" in Germany, among others. The run-off profit rose considerably by EUR 446 million year-on-year to EUR 662 (217) million. Consequently, the gross loss ratio decreased significantly by 17.2 percentage points to 54,2% (71,4%).

After reinsurance relief, net claims expenses fell by EUR 243 million to EUR 1,516 (1,759) million, resulting in an 11.9 percentage point improvement in the net loss ratio to 67.3% (79.2%), which exceeded expectations.

Gross commission expenses rose by EUR 71 million to EUR 624 (553) million and therefore in line with robust growth on a gross basis. Gross administrative expenses increased by EUR 44 million to EUR 440 (397) million. Overall, this led to a slight increase in the gross expense ratio of 0.2 percentage points to 17.2% (17.0%), whereas the net expense ratio fell slightly by 0.2 percentage points to 18.6% (18.7%) following an increase in reinsurance commissions.

The loss and expense ratio reflected the aforementioned effects and fell significantly in gross terms to 71.4% (88.4%) and in net terms by 10.8 percentage points to 85.9% (97.9%), which considerably exceeded expectations.

Overall, an improved underwriting result of EUR 137 (51) million was achieved, thereby exceeding expectations. In addition to the aforementioned effects, the result includes an allocation to the equalisation reserve in the amount of EUR 159 (1) million.

Direct written insurance business

Liability Insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	1,477	622	1.351	631
Premiums earned	1,428	609	1.325	613
Expenses for insurance claims	788	572	1.189	520
Expenses for insurance operations	219	100	195	90
Underwriting result for own account		-21		1
In %				
Loss ratio	55.2	93.8	89,7	84,7
Expense ratio	15.3	16.4	14,7	14,6
Combined ratio	70.5	110.3	104,5	99,4

Liability insurance mainly covers commercial general liability (CGL). In addition, the special lines, personal, pharmaceutical, planning, medical malpractice and nuclear facility liability insurance lines and pecuniary loss liability insurance for governing bodies as well as the US casualty business currently being liquidated are presented under this item.

Gross written premiums were increased in the financial year by a total of EUR 126 million to EUR 1,477 (1,351) million owing in particular to premium growth and new business. Net premiums earned fell by EUR 4 million year-on-year to EUR 609 (613) million due to a change in the reinsurance structure.

Gross expenses for insurance claims decreased by EUR 401 million to EUR 788 (1,189) million. The loss ratio for the financial year fell year-on-year to 61.2% (77.6%) and the loss ratio for the prior financial year fell to -6.0% (12.1%). The run-off result increased by EUR 246 million to a run-off profit of EUR 86 million (compared with a run-off loss of EUR 160 million in the previous year). The run-off loss in the previous year was influenced by the inclusion of loss inflation in the underwriting provisions.

Claims expenses for the financial year decreased by EUR 154 million to EUR 874 (1,029) million.

Net expenses for insurance claims increased by EUR 52 million to EUR 572 (520) million. The run-off result decreased by EUR 208 million to a run-off loss of EUR 152 million (compared with a run-off profit of EUR 56 million in the previous year). This was the result of a reduction in reserves for highly reinsured losses. Accordingly, the net loss ratio increased in the financial year by 9.1 percentage points to 93.8% (84.7%).

Expenses for insurance operations amounted to EUR 219 (195) million on a gross basis and EUR 100 (90) million on a net basis due to increased premium volume and higher administrative costs. The gross expense ratio rose by 0.6 percentage points to 15.3% (14.7%). The net expense ratio rose to 16.4 (14.6) %.

The loss and expense ratio reflected the developments described above and was equal to 70.5% (104.5%) for the gross ratio and 110.3% (99.4%) for the net ratio.

After a withdrawal from the equalisation reserve in the amount of EUR 44 (previous year: allocation of EUR 5 million), the liability insurance line shows an underwriting result of EUR -21 (1) million.

Fire insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	211	88	195	84
Premiums earned	214	91	194	84
Expenses for insurance claims	89	37	83	65
Expenses for insurance operations	37	13	35	15
Underwriting result for own account		-37		-1
In %				
Loss ratio	41.3	40.6	42.5	77.6
Expense ratio	17.1	14.2	17.8	18.1
Combined ratio	58.4	54.8	60.2	95.7

Gross premium income from industrial fire and fire business interruption insurance increased in the financial year by 16 million to EUR 211 (195) million. Net premiums earned rose by EUR 7 million and were equal to EUR 91 (84) million.

Gross expenses for insurance claims rose in the financial year by EUR 6 million to EUR 89 (83) million. Claims expenses for the financial year increased by EUR 94 million to EUR 221 (127) million due to higher expenses for large losses in the man-made disaster segment. The run-off result showed a profit of EUR 132 (44) million. The gross loss ratio declined by 1.2 percentage points to 41.3% (42.5%).

Net expenses for insurance claims declined by EUR 28 million to EUR 37 (65) million. The net loss ratio decreased accordingly by 37.0 percentage points to 40.6% (77.6%).

Gross expenses for insurance operations increased by EUR 2 million to EUR 37 (35) million, while net expenses for insurance operations fell by EUR 2 million to EUR 13 (15) million. The gross expense ratio fell to 17.1% (17.8%) and the net expense ratio by 3.9 percentage points to 14.2% (18.1%). The loss and expense ratio reflected the aforementioned developments, improving to 58.4% (60.2%) on a gross basis and to 54.8% (95.7%) on a net basis.

An underwriting result of EUR -37 (-1) million remained for the financial year after an allocation to the equalisation reserve in the amount of EUR 72 million (reversal of EUR 1 million in the previous year).

Motor insurance

	2023	2023	2022	2022
EUR million	Gross	Net	Gross	Net
Premiums	444	342	386	299
Premiums earned	428	334	382	297
Expenses for insurance claims	365	295	307	247
Expenses for insurance operations	68	55	64	53
Underwriting result for own account		0		-1
In %				
Loss ratio	85.2	88.4	80.4	83.2
Expense ratio	15.9	16.5	16.8	17.8
Combined ratio	101.1	104.9	97.3	101.0

An increase in premiums year-on-year was recorded in 2023. Gross written premiums in the motor insurance line rose in the financial year by EUR 58 million to EUR 444 (386) million. This increase was based on agreements on surplus premiums and new customer relationships. The increase in gross premiums earned was somewhat smaller. It rose by EUR 46 million to EUR 428 (382) million.

Net premiums earned rose by EUR 36 million to EUR 334 (297) million.

Gross expenses for insurance claims rose by EUR 58 million and were equal to EUR 365 (307) million. Claims expenses for the financial year increased by EUR 71 million to EUR 418 (348) million.

The run-off profit amounted to EUR 54 (39) million year-on-year – an increase of EUR 14 million. The gross loss ratio of 85.2% (80.4%) exceeded the previous year’s level.

Net expenses for insurance claims increased by EUR 48 million to EUR 295 (247) million. The net loss ratio rose to 88.4% (83.2%).

Gross expenses for insurance operations increased in line with the growth in premiums and amounted to EUR 68 (64) million, whereas gross administrative expenses increased to EUR 42 (41) million and commission expenses to EUR 25 (23) million. The gross expense ratio was reduced to 15.9% (16.8%) in connection with the increase in premiums. At 16.5% (17.8%), the net expense ratio likewise fell short of the previous year’s level.

The loss and expense ratio increased to 101.1% (97.3%) on a gross basis and to 104.9% (101.0%) on a net basis.

After a withdrawal from the equalisation reserve in the amount of EUR 15 million (previous year: an addition of EUR 1 million), the overall underwriting result for the financial year was EUR 0 (-1) million.

Marine and aviation insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	475	108	367	77
Premiums earned	462	108	354	83
Expenses for insurance claims	269	18	219	50
Expenses for insurance operations	84	26	73	26
Underwriting result for own account	83	38		57
In %				
Loss ratio	58.1	17.1	61.8	60.9
Expense ratio	18.3	24.1	20.7	31.9
Combined ratio	76.4	41.2	82.5	92.8

Gross written premiums for the marine and aviation insurance lines in the direct business increased by EUR 108 million to EUR 475 (367) million in the financial year. The marine line recorded an increase of EUR 102 million, attributable, in particular, to business in Germany. The aviation line recorded premium growth of EUR 5 million to EUR 31 (26) million, primarily in the general aviation business.

Gross expenses for insurance claims rose overall by EUR 50 million to EUR 269 (219) million. Gross expenses for the financial year in the marine insurance line rose by EUR 32 million to EUR 264 (232) million, which can be attributed, above all, to higher premium volume. Run-off profit in the amount of EUR 69 (64) million was slightly more positive than in financial year 2022.

Gross expenses in the aviation insurance line fell for the financial year by EUR 2 million to EUR 18 (20) million. The run-off profit amounted to EUR 12 (33) million. The gross loss ratio fell in total by 3.7 percentage points to 58.1% (61.8%).

Net expenses for insurance claims declined by EUR 32 million to EUR 18 (50) million. A decrease in claims expenses for the financial year and a slight decrease in the run-off result was recorded for the marine insurance line.

A run-off profit of EUR 7 million was achieved in the aviation insurance line (run-off loss of EUR 1 million in the previous year).

The loss and expense ratio decreased overall to 76.4% (82.5%) on a gross basis and to 41.2% (92.8%) on a net basis.

After an addition to the equalisation reserve in the amount of EUR 17 million (previous year: a withdrawal of EUR 49 million), the underwriting result was a loss of EUR 38 (57) million.

Engineering insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	456	172	402	167
Premiums earned	404	163	368	156
Expenses for insurance claims	196	91	306	106
Expenses for insurance operations	83	20	74	22
Underwriting result for own account		48		25
In %				
Loss ratio	48.7	56.2	83.3	68.0
Expense ratio	20.5	12.1	20.1	13.9
Combined ratio	69.1	68.2	103.4	82.0

The engineering insurance line encompasses insurance for machinery, installation, construction services, existing buildings', electronics and machinery warranties, as well as the respective associated business interruption insurances.

Gross written premiums in the engineering insurance line rose year-on-year to EUR 456 (402) million, which can be attributed primarily to premium growth abroad. Net premiums earned amounted to EUR 163 (156) million and thereby followed the trend in gross written premiums.

Gross expenses for insurance claims decreased in the financial year by EUR 110 million to EUR 196 (306) million, mainly as a result of lower claims expenses for the financial year in the amount of EUR 244 (370) million. Claims expenses for the previous financial year were primarily characterised by large losses in the Japanese and Australian branches. Gross run-off showed a profit of EUR 48 (64) million, which is predominantly attributable to business in Germany. Overall, the aforementioned developments resulted in a 34.5 percentage point reduction in the gross loss ratio to 48.7% (83.3%) in the reporting period.

Net expenses for insurance claims fell by EUR 15 million to EUR 91 (106) million as a result of lower expenses for large losses during the financial year. The run-off result fell to EUR 0 million (previous year: run-off profit of EUR 51 million) due to reserve increases abroad. The previous year was characterised by an extraordinary run-off profit in the United Kingdom.

The net loss ratio fell by 11.8 percentage points to 56.2% (68.0%) in line with the improved large loss trend in the financial year.

The expense ratio for direct insurance business rose to 20.5% (20.1%) on gross basis compared with the previous year. This increase is based primarily on the rise in administrative expenses abroad. The net expense ratio fell by 1.8 percentage points year-on-year to 12.1% (13.9%).

The loss and expense ratio reflected the developments described above and was equal to 69.1% (103.4%) for the gross ratio and 68.2% (82.0%) for the net ratio.

Overall, a net underwriting profit of EUR 48 (25) million was reported for the engineering insurance line.

Casualty insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	73	62	72	62
Premiums earned	73	62	68	58
Expenses for insurance claims	58	45	37	34
Expenses for insurance operations	20	18	20	18
Underwriting result for own account		-1		-2
In %				
Loss ratio	79.9	73.0	53.7	59.2
Expense ratio	27.1	29.3	28.8	31.4
Combined ratio	107.0	102.2	82.6	90.6

The casualty insurance line includes the general accident, motor accident, clinical trials and aviation accident insurance classes. By far the largest share of gross premium income is attributable to the general casualty insurance class, which is, in turn, driven by group casualty insurance.

The casualty insurance line recorded gross written premiums in the amount of EUR 73 (72) million in the financial year, thereby fluctuating at the previous year's level. Net premiums earned increased by EUR 4 million and amounted to EUR 62 (58) million.

Gross expenses for insurance claims rose year-on-year by EUR 21 million to EUR 58 (37) million. On the one hand, claims expenses for the financial year increased, while on the other hand, the run-off result decreased, which led to an increase of 26.2 percentage points in the gross loss ratio to 79.9% (53.7%).

Net expenses for insurance claims rose by EUR 11 million to EUR 45 (34) million. The net claims trend followed the gross trend. The net loss ratio climbed by 13.8 percentage points to 73.0% (59.2%).

Operating expenses remained at the previous year's level on both a gross as well as a net basis. Gross operating expenses amounted to EUR 20 (20) million and net operating expenses to EUR 18 (18) million. Both the gross expense ratio of 27.1% (28.8%) as well as the net expense ratio of 29.3% (31.4%) were below the previous year's level.

The loss and expense ratios reflected the development described above, increasing to 107.0% (82.6%) on a gross basis and to 102.2% (90.6%) on a net basis.

The financial year exhibited an underwriting result of EUR -1 (-2) overall. The underwriting result in the financial year includes a withdrawal from the equalisation reserve in the amount of EUR 1 million, whereas an allocation in the amount of EUR 7 million was made in the previous year.

All-risk insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	944	227	800	192
Premiums earned	885	212	754	181
Expenses for insurance claims	392	152	699	172
Expenses for insurance operations	113	17	89	18
Underwriting result for own account		33		-8
In %				
Loss ratio	44.3	71.8	92.6	94.8
Expense ratio	12.7	8.2	11.8	9.7
Combined ratio	57.0	80.0	104.4	104.5

The all-risk business includes the insurance classes all-risk property insurance and all-risk business interruption insurance.

In the financial year, the all-risk insurance line achieved an increase in gross written premiums by EUR 144 million to EUR 944 (800) million. This increase can be attributed substantially to the foreign branches. Net premiums earned rose by EUR 31 million and were equal to EUR 212 (181) million.

Gross expenses for insurance claims decreased by EUR 307 million to EUR 392 (699) million. Claims expenses for the financial year fell by EUR 230 million to EUR 475 (705) million, primarily due to lower expenses for natural disaster events. The run-off result showed a profit of EUR 82 (6) million. This development was mainly due to reserve reductions in Germany. Overall, the gross loss ratio decreased by 48.3 percentage points to 44.3% (92.6%).

Net expenses for insurance claims declined by EUR 20 million to EUR 152 (172) million. The net loss ratio improved accordingly by 23.0 percentage points to 71.8% (94.8%).

Gross expenses for insurance operations for the financial year increased to EUR 113 (89) million. At EUR 17 (18) million, net expenses for insurance operations were at the previous year’s level. The expense ratio rose on a gross basis to 12.7% (11.8%) and fell on a net basis to 8.2% (9.7%).

The loss and expense ratios reflected the developments described above and were recorded at 57.0% (104.4%) for the gross ratio and 80.0% (104.5%) for the net ratio.

In total, an underwriting result of EUR 33 (-8) million is reported for the all-risk insurance line.

Other insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	199	75	193	65
Premiums earned	196	73	190	65
Expenses for insurance claims	37	16	103	49
Expenses for insurance operations	36	10	37	10
Underwriting result for own account		46		7
In %				
Loss ratio	19.0	22.5	54.3	75.0
Expense ratio	18.7	14.0	19.3	15.4
Combined ratio	37.7	36.5	73.6	90.5

Those insurance classes that, in light of their business volumes, are not required to be reported separately, are combined under other insurance. The most important aspects of this line of business relate to industrial risks in the extended coverage (EC) insurance classes. Furthermore, the multi-line and multi-risk products as well as the legal protection, crisis management and cyber classes that are available across all insurance lines, are included in the other insurance line.

On balance, gross written premiums in the other insurance line grew year-on-year to EUR 199 (193) million. The positive premium trend was mainly driven by strong growth in the cyber and EC segments. The increase in premiums resulted from new business, while the premium level in the other insurance classes hardly changed. Analogous to the development of gross premiums earned, net premiums earned rose to EUR 75 (65) million. Premiums and expenses for the financial year were ceded in full to HDI Global Specialty SE both for the legal protection as well as the crisis management business for financial year 2023.

Gross expenses for insurance claims declined by a total of EUR 66 million to EUR 37 (103) million. The gross loss ratio reflected a corresponding decrease by 35.3 percentage points and was at 19.0% (54.3%).

Net expenses for insurance claims declined by EUR 33 million to a total of EUR 16 (49) million, as a result of which the net loss ratio fell by 52.5 percentage points to a total of 22.5% (75.0%).

Gross expenses for insurance operations fell year-on-year by EUR 1 million to EUR 36 (37) million. Therefore, the gross expense ratio decreased to 18.7% (19.3%). At EUR 10 (10) million, net expenses for insurance operations remained unchanged year-on-year. The net expense ratio fell to 14.0% (15.4%).

Compared with the previous year, the loss and expense ratio decreased to 37.7% (73.6%) on a gross basis and to 36.5% (90.5%) on a net basis.

There was an underwriting result of EUR 46 (7) million overall in the reporting period in the other insurance classes.

Business accepted for reinsurance

Total

EUR million	2023 Gross	2023 Net	2022 Gross	2022 Net
Premiums	2,211	611	2,030	700
Premiums earned	2,108	601	1,950	683
Expenses for insurance claims	1,167	289	1,047	515
Expenses for insurance operations	405	158	363	164
Underwriting result for own account		31		-27
In %				
Loss ratio	55.4	48.1	53.7	75.5
Expense ratio	19.2	26.4	18.6	24.0
Combined ratio	74.6	74.4	72.3	99.5

The business accepted for reinsurance predominantly represents the share of foreign premiums from international insurance programmes for which HDI Global SE acts as the lead or sole underwriter for its customers in Germany and abroad. The ceding companies in these cases are foreign units of HDI Global SE and subsidiaries of the Talanx Group, that have written policies in the respective countries in accordance with the specifications of HDI Global SE as well as the direct subsidiary HDI Global Network AG.

Other sources of our indirect insurance business are the reinsurance of captives of German and selected international key accounts as well as the central underwriting, in Hannover, of international risks of large foreign companies.

Gross premium income from business accepted for reinsurance amounted to EUR 2,211 (2,030) million in the financial year and therefore considerably exceeded the previous year's amount. The major part of this total, or EUR 1,213 (1,054) million, was attributable to the all-risk insurance line (including business interruption), followed by liability at EUR 569 (552) million and engineering insurance lines at EUR 205 (168) million. This increase resulted primarily from portfolio growth.

On the contrary, net premiums earned were down year-on-year at EUR 601 (683) million due to changes in intra-Group reinsurance contracts.

Gross expenses for insurance claims increased in the financial year by EUR 120 million to EUR 1,167 (1,047) million, which can be attributed primarily to the higher business volume. As a consequence of the revised reinsurance structure, the gross loss ratio increased by 1.7 percentage points to 55.4% (53.7%). Net expenses for insurance claims fell by EUR 226 million and amounted to EUR 289 (515) million. The net loss ratio was 48.1% (75.5%).

Expenses for insurance operations increased on a gross basis by EUR 42 million to EUR 405 (363) million. The growth is mainly reflected in the EUR 31 million increase in commission expenses to EUR 297 (266) million, whereas administrative expenses increased by EUR 10 million to EUR 108 (98) million. At 19.2% (18.6%), the gross expense ratio was 0.6 percentage points higher than in the previous year. In contrast, net expenses fell slightly to EUR 158 (164) million. Given a decrease in net premiums earned, the result is an increase in the net expense ratio of 2.4 percentage points to 26.4% (24.0%).

The loss and expense ratio reflected the aforementioned developments, rising to 74.6% (72.3%) on a gross basis while it improved significantly to 74.4% (99.5%) on a net basis.

Overall, a clearly improved underwriting result of EUR 31 (-27) million was reported in the assumed business. This includes an addition to the equalisation reserve in the amount of EUR 129 (38) million.

All-risk insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	1,213	264	1,054	236
Premiums earned	1,158	248	1,004	229
Expenses for insurance claims	502	214	518	204
Expenses for insurance operations	185	44	164	52
Underwriting result for own account		-5		-22
In %				
Loss ratio	43.3	86.2	51.6	89.0
Expense ratio	16.0	17.8	16.4	22.7
Combined ratio	59.3	104.0	67.9	111.7

Liability insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	569	234	552	297
Premiums earned	547	238	542	288
Expenses for insurance claims	404	28	322	196
Expenses for insurance operations	107	66	103	65
Underwriting result for own account		31		-1
In %				
Loss ratio	73.9	11.9	59.5	67.8
Expense ratio	19.6	27.9	19.1	22.6
Combined ratio	93.5	39.8	78.6	90.4

Engineering insurance

	2023	2023	2022	2022
EUR million	**Gross**	**Net**	Gross	Net
Premiums	205	58	168	46
Premiums earned	173	46	158	50
Expenses for insurance claims	113	44	93	43
Expenses for insurance operations	47	13	41	13
Underwriting result for own account		-9		-5
In %				
Loss ratio	64.9	94.6	58.7	87.7
Expense ratio	27.3	28.0	25.7	25.4
Combined ratio	92.2	122.7	84.4	113.1

Branch office report

Branches as representative offices of HDI Global SE in foreign markets

HDI Global SE maintains branches in foreign target markets in order to offer international customers a direct presence. HDI Global SE thereby develops additional growth opportunities outside of the domestic German market both in new markets as well as in new customer segments.

Branches of HDI Global SE

	2023	2023	2022	2022
EUR million, number	**Gross prem.**	**Employees***	Gross prem.	Employees*
Germany, Hannover**	3,084	0	2.868	0
France, Paris	707	165	605	153
United Kingdom, London	501	139	432	134
Belgium, Brussels	344	90	294	88
Australia, Sydney	331	132	267	111
The Netherlands, Rotterdam	253	179	268	169
Italy, Milan	206	84	162	79
Switzerland, Zurich	204	71	159	78
Spain, Madrid	197	84	175	83
Singapore	165	40	127	31
Canada, Toronto	139	38	127	36
Ireland, Dublin	86	7	76	5
Japan, Tokyo	79	30	71	23
Denmark, Copenhagen	73	39	48	24
Greece, Athens	71	30	63	29
China, Hong Kong	41	31	45	30
Malaysia, Labuan	9	2	8	1
Norway, Oslo	0	2	0	2
Total	**6,490**	**1,163**	5,796	1,076

**Active core employees as at the reporting date.*

*** Employeess employed by HDI AG since 1 March 2022*

Key processes in individual branches

In the Dutch branch, a decision was made in connection with a strategic realignment in 2021 not to continue the motor and marine insurance business. The restructuring effects of this can be seen in gross premiums and the claims trend.

On 25 October 2023, a branch was established in Portugal with a focus on the liability and fire insurance divisions. Business operations will start on 1 January 2024.

Significant changes in the gross premiums of individual branches
In the French branch, new business and rate increases in particular in the fire, liability and motor insurance divisions led to an increase in gross premiums of EUR 102 million to EUR 707 (605) million.

Gross premiums in the UK branch increased by EUR 69 million to EUR 501 (432) million, which can be attributed primarily to rate hikes and the expansion in the engineering, liability and fire insurance segments.

The Belgium branch also benefited from rate increases and new business and was able to deliver an increase in gross premiums of EUR 50 million to EUR 344 (294) million, with fire insurance (EUR +29 million) and engineering insurance (EUR +11 million) in particular contributing to the rise in gross premiums.

In line with the general business strategy, additional branches were able to expand their portfolio by means of new acquisitions or through premium adjustments in the respective market.

Only the Dutch branch continued to record declining gross premiums due to the effects of the aforementioned restructuring measures in the motor and marine insurance business. Gross premiums for the financial year just ended declined by EUR 15 million to EUR 253 (268) million.

Non-insurance business

Investment result
Current-year investment income for the reporting period, which was mainly attributable to coupon payments on fixed-interest investments was equal to EUR 288 (274) million. This compares to current-year expenses in the amount of EUR 15 (17) million. The current result amounted to EUR 273 (257) million. Investments in interest-bearing instruments were increased due to the return of adequate income. In addition, reallocations were made within these asset classes.

The average rate of return* was 2.9% (2.8%).

Net realised gains and losses on the disposal of investments for the year under review were equal to EUR -93 (-5) million. Gains in the amount of EUR 23 (16) million, which resulted from the sale of other long-term equity investments (EUR 17 million), bearer bonds (EUR 5 million) and promissory note loans (EUR 11 million), were offset by losses in the amount of EUR 116 (22) million, primarily from the reallocation of bearer bonds (EUR 115 million). These investments were sold or reallocated in the ordinary course of business. The cumulative balance of write-downs and reversals thereof amounts to EUR -1 (-9) million.

The accounting profit resulting from investments amounted to a total of EUR 190 (243) million which was below the previous year’s result as expected. The total net return** for the reporting period reached 2,0% (2.7%).

** Ongoing gross income less expenses for the management of investments less amortisation in relation to the average portfolio of investments as at 1 January and 31 December of the respective financial year.*
*** All income less all expenses for investments in relation to the average portfolio of investments as at 1 January and 31 December of the respective financial year.*

Other income/other expenses

The other comprehensive income in the financial year was EUR -120 (-105) million. While Other income decreased slightly to EUR 81 (86) million, Other expenses increased to EUR 201 (191) million. This was due in particular to higher write-downs on receivables. Interest allocated to pension provisions decreased to EUR 8 (16) million. The net balance of exchange rate gains and losses for the financial year was a net loss of EUR -2 (-13) million.

Comprehensive income of HDI Global SE

	2023	**2022**
EUR million		
Underwriting result for own account	137	51
Total investment income (incl. underwriting interest income)	190	243
Result from other income/other expenses	-120	-105
Result from ordinary activities	**207**	**189**
Taxes	-79	-71
Profit/loss (-) transferred to Talanx AG	**128**	**118**

A year-on-year increase in profits of EUR 128 (118) million which exceeded expectations was transferred to the parent company of HDI Global SE, Talanx AG, in the financial year based on the existing profit and loss transfer agreement.

Net assets and financial position

Investments

The volume of investments (excluding funds withheld) of HDI Global SE at the end of the year amounted to EUR 9,683 (9,284) million and therefore exceeded the previous year's level.

Fixed-interest investments (loans to affiliated companies, loans to long-term investees and investors, bearer bonds and other fixed-interest securities, loans guaranteed by mortgages, land charges and annuity land charges, registered bonds and notes receivable and loans) that are held directly in a portfolio, had a total volume of EUR 5,475 (5,291) million at the end of the year. This corresponded to a share of 56.5% (57.0%) of the total investments. Additional significant investment categories included bond funds at 13.0% (13.5%) as well as long-term equity investments and investments in affiliated companies at 24.2% (24.0%). Investments in fixed-interest securities included in particular bearer bonds with good credit ratings. The quality of fixed-interest securities remained constant with an average rating of A (A-). The bond fund portfolio remained almost unchanged at EUR 1,259 (1,249) million.

Over the course of the year, the accumulation of equities and equity funds begun in the previous year was successively continued. The portfolio amounted to EUR 231 (175) million at the end of the year.

The portfolio of real estate amounted to EUR 165 (156) million. The increase of EUR 9 million results from the addition of a property less depreciation charges.

The carrying amounts of investments in affiliated companies and long-term equity investments increased in the reporting period to EUR 2,340 (2,227) million. The carrying amounts of the investees HDI AI EUR Beteiligungs-GmbH, Cologne, and HDI AI USD Beteiligungs-GmbH, Cologne, increased by a total of EUR 96 million to EUR 1,133 (1,037) million as a result of the successive capitalisation on the part of HDI Global SE. The investments in private equity, infrastructure and indirect properties, which also represent a focus of the investments, are managed in particular over these companies. In addition, the carrying amounts of strategic investments were increased by a net amount of EUR 39 million.

Time deposits amounted to EUR 97 (35) million at the end of the year.

The market value of the investments as at the balance sheet date was equal to EUR 10,139 (9,442) million. In addition to organic growth, the increase can be attributed in particular to a reduction in market interest rates shortly before the end of the year.

Equity (fully paid in)
The Company's capital stock still amounts to EUR 125 million. It is divided into 125,000 registered shares with no par value.

Subordinated liabilities
The subordinated liabilities relate to subordinated loans in the amount of EUR 200 million that specify a fixed-interest period ending 12 August 2031 with a coupon of 1.7% p.a. After this date, the variable interest rate will be calculated based on the three-month EURIBOR plus a margin of 2.79% p.a. These subordinated loans can be terminated early by the borrower for the first time on 12 August 2031. In addition, there is a subordinated loan in the amount of EUR 180 million that specifies a fixed-interest period ending 2 December 2031 with a coupon of 2.28% p.a. After this date, the variable interest rate will be calculated based on the three-month EURIBOR plus a margin of 3.14% p.a. This subordinated loan can be terminated early by the borrower for the first time on 2 December 2031.

Underwriting provisions
Underwriting provisions rose by EUR 391 million to EUR 9,037 (8,646) million. This line item primarily includes a provision for outstanding claims in the amount of EUR 7,314 (7,129) million.

HDI Global SE operates on an international scale and therefore recognises underwriting liabilities in foreign currencies. Corresponding to the development of underwriting equity and liabilities denominated in foreign currency, the aim is to achieve continuous matching coverage in foreign currency on the assets side of the balance sheet.

Financial position
The Company realises incoming cash flows from ongoing premium income, investment income and the return flows from investments of capital. According to the current liquidity planning, which covers projected changes in liquidity for the coming twelve months, the cash flows required to meet current payment obligations is assured. In addition, a profit and loss transfer agreement is in effect with Talanx AG.

Other balance sheet items
The composition of the above, as well as other line items on the balance sheet, is set out in the notes to the financial statements.

Overall assessment of the economic position

The 2023 reporting period was largely characterised by political and macroeconomic uncertainties such as the persistently high level of inflation and low economic growth in Germany. Despite the resulting charges, the underwriting result as well as the loss and expense ratio improved considerably compared with the previous year and exceeded expectations. The expense ratio (on a net basis) is slightly below the previous year's level, which is why we expect to remain one of the cost leaders in the industrial insurance market. The investment result was in line with expectations and contributed positively to the result for the year. HDI Global SE's year-end economic position remained unchanged at the time in which the management report was prepared.

Personnel and social report

Key employee indicators
In the reporting year, the average annual headcount for HDI Global SE was 1,133 (1,499) employees. The part-time employment ratio was 11.0% (13.5%). The decrease was due to the carve-out of employees in Germany to HDI AG as of 1 March 2022.

The Board of Management of HDI Global SE would like to express its thanks to all of the employees for their personal commitment and contribution to the success of the Company. The Board would also like to thank all social partners for their constructive collaboration.

Non-financial statement

HDI Global SE is exempted under section 289b(2) of the German Commercial Code (HGB) from the obligation to include a non-financial statement in the management report, because it is included in the non-financial group statement of the parent company Talanx AG. The non-financial group statement for the Talanx Group is prepared based on section 315b(1) HGB in compliance with Directive 2013/34/EU und is published as a part of the group management report in the annual report on the parent company's website https://www.talanx.com/en/investor_relations/reporting/financial_reports.

Corporate governance declaration pursuant to section 289f (4) sentence 1 in conjunction with paragraph (2) no. 4 of the German Commercial Code (HGB)

In accordance with section 111(5) of the German Stock Corporation Act (AktG), the Supervisory Board of HDI Global SE in March 2022 specified an unchanged target of 16.7% for the proportion of women on the Company's Supervisory Board and a new target of 12.5% for the Board of Management (this will continue to mean one woman on the Board given its foreseeable size of eight members). In the meantime, the Board of Management has only seven members, so that the target of one woman on the Board of Management again amounts to 14.3%. 30 June 2027 was stipulated as the deadline for reaching these targets.

Furthermore, in accordance with section 76(4) AktG, the Board of Management resolved a target of 25.0% for the first management level and a target of 35.0% for the second management level in June 2022 for the same period.

The paragraphs entitled "Personnel and Social Report", "Non-financial statement" and "Corporate governance declaration pursuant to section 289f (4) sentence 1 in conjunction with paragraph (2) no. 4 of the German Commercial Code (HGB)" are expressly exempted under section 317(2) sentence 6 and/or sentence 4 HGB from being examined in connection with the audit of the annual financial statements and/or of the management report.

Risk report

Risk controlling in a time of change
HDI Global SE offers their policyholders comprehensive insurance protection so that the assumption of risks represents the core of its business. Pronounced risk awareness is an indispensable prerequisite for managing these risks. In this context, the Company developed a variety of processes and instruments, that are used not only to recognise, assess and manage risk but also to identify opportunities. The Company's risk management is focused on the negative random variations, i.e. risks.

HDI Global SE uses a comprehensive internal model to calculate risk capital for regulatory purposes. The time horizon considered in the internal model is one calendar year.

The monitoring systems and decision-making processes of HDI Global SE are embedded in the standards of the Talanx Group.

Structural organisation of risk management
The tasks and functions of HDI Global SE’s German risk management employees were successfully spun off to HDI AG on 1 March 2022. The structural and organisational framework for the Company’s risk management has been set out using a role concept that defines and delimits the tasks, rights and responsibilities. In addition, risk management and risk monitoring functions are separated under the segregation of functions.

The Company’s Board of Management is responsible for the operation and continued development of the risk management system as well as the risk strategy. It is assisted by the Risk Committee. The major tasks of the Risk Committee include, for example, the coordination of risk control measures, the analysis of risk positions, with particular regard to the risk strategy adopted by the Board of Management as well as the regular reporting of risk positions.

The roles of the Head of Risk Management include, inter alia, the coordination of activities of the independent Risk Controlling function.

The activities of the independent Risk Controlling function are mainly focused on the identification and assessment of risks at the aggregate level, including the validation of the risk assessments made by the risk management officers. The preparations for risk reporting, including statements about the utilisation of existing limits and thresholds as well as the regular quantitative analysis of risk bearing capacities also fall within the scope of its responsibilities.

The risk management system is regularly reviewed by Group Internal Audit.

Risk controlling process
Based on the Company’s risk strategy targets, which are consistent with those of Talanx AG, as well as the objectives of its own business strategy, the Company’s risk-bearing capacity is regularly reviewed and reported to the Board of Management throughout the year. These quantitative observations are put into operation in connection with a consistent limit and threshold value system at the enterprise level. The utilisation of limits is regularly monitored. Concentration risk is accommodated, among other things, by means of appropriate limits and threshold values.

Within the framework of the qualitative risk control process, HDI Global SE focuses on significant risks. As a general rule, the single risks named by the risk management officers are aggregated into a report on risks and opportunities attached to future developments. The risk meetings, which are regularly held by the divisions and the corporate functions, rely on systems-supported risk identification.

The findings from the qualitative and quantitative analyses of the risk position provide the foundation for an internal risk report that is regularly prepared by HDI Global SE. This ensures that an overview of the Company’s risk situation can be provided at all times. The risk categories required under Solvency II are fully covered by HDI Global SE. This enables them to be mapped to the risk categories in the German Accounting Standard GAS 20, which are discussed in the following.

Underwriting risks
Underwriting risks derive primarily from the premium/loss risk and the reserve risk.

In the property and casualty insurance line the premium/loss risk refers to the risk of having to pay future indemnification from insurance premiums that have been fixed in advance, but that, due to their limited predictability, are not known with certainty when premiums are set (risk of random loss and change). To limit this risk, HDI Global SE uses actuarial models, in particular for the setting of rates, monitors the claims experience on a regular basis and obtains reinsurance coverage.

The reserve risk refers to the risk that the underwriting provisions will not be sufficient to settle all unsettled and unreported claims in full. In order to lower this risk, the level of provisions is regularly reviewed on a period-by-period basis and the run-off results are monitored, whereby inflationary risks are also taken into account. In addition, a provision (Spätschadenrückstellung) is recognised for losses presumed to have occurred but not yet reported (‘IBNR’).

The following table shows the development of the loss ratio for own account:

Loss ratio for own account

Claims expenses as percentage of premium earned	
2023	67.3
2022	79.2
2021	81.0
2020	76.7
2019	80.3
2018	89.9
2017	88.2
2016	77.9
2015	79.1
2014	83.3

HDI Global SE seeks, in particular, to mitigate the potential effect of a simultaneous occurrence of natural disasters and accumulation losses arising from underwriting risk by obtaining adequate reinsurance cover on behalf of the Company for peak claims. In addition, it uses loss analyses, natural disaster models, selective underwriting and regular monitoring of the claims experience to control and reduce risk.

The following table shows the development of the run-off ratio for own account:

Run-off result

Run-off result of the initial loss provision in %	
2023	4.4
2022	5.4
2021	5.0
2020	4.6
2019	4.1
2018	5.0
2017	6.3
2016	5.6
2015	9.0
2014	11.4

Risks of default on insurance business receivables

HDI Global SE reduces the risk of default on receivables from reinsurers by means of instructions and guidelines that apply to the entire segment. The reinsurance partners are carefully selected by the Group Reinsurance Committee, among others, and their creditworthiness is reviewed on an ongoing basis. The consistent and uniform utilisation of rating information applicable at the respective cut-off date is ensured by means of a rating information system accessible Group-wide. In order to avoid and/or limit default risks from the reinsurance business, appropriate measures are taken to collateralise receivables and/or other contractual obligations on the part of these reinsurance partners. Amounts contractually ceded to reinsurers are managed by way of operational hedging and placement guidelines.

The default risk from claims due from policy holders and insurance agents is accounted for in the form of general allowances for doubtful debt. Agents are also evaluated in terms of their credit worthiness. In particular a strict reminder and dunning process is carried out to counter potential delays or defaults on premium payments in collections directly from policyholders or from intermediaries and the development of outstanding receivables with respect to amount and age is closely followed.

In the direct written insurance business outstanding receivables due from policy holders and insurance agents that were more than 90 days in arrears as at the balance sheet date totalled EUR 235.3 million. This represents 22.7% of gross receivables. Over the past three years, HDI Global SE was required to write down an average of 1.5% (0.5%) of receivables on reinsurance business as at the balance sheet date. Reinsurance receivables outstanding for more than 360 days are reviewed annually. Reinsurance companies are also subject to regular reviews in order to avoid default on the part of reinsurers.

The receivables from reinsurers based on rating classes are presented as follows as at the reporting date:

Receivables from reinsurers based on rating classes

EUR million, %		
≥ AA	36.8	8.6
A	150.5	35.3
BBB	0.9	0.2
NON	238.4	55.9
of which captives	*45.2*	
Total	**426.6**	**100.0**

Investment risks
Investment risks encompass primarily market risk, credit risk and liquidity risk. They represent the largest risk category in HDI Global SE's risk profile.

Market risk arises from potential losses due to unfavourable changes in market prices and may be attributable to changes in interest rates, share prices and exchange rates. Credit risk refers to the risk that a debtor will be unable to meet its payment obligations. Liquidity risk involves the inability to meet payment obligations, in particular those under insurance agreements.

The measurement, control and management of risks with respect to market price risk rely on stress tests, modified duration and convexity and on the asset-liability management model that has been implemented. The actual developments in the capital markets are then taken into account as part of the ongoing process.

Credit risk is managed by means of a system of rating classes under the special investment guidelines. Credit risk related to mortgages and land charges as well as real estate is limited under the special investment guidelines. With respect to the management of liquidity and concentration risk, the focus is on the fungibility and diversification of the investments.

If derivative transactions are effected for the purpose of increasing income, to prepare acquisitions and hedge portfolios as well as transactions with structured products, they are entered into in accordance with the Company's internal guidelines.

Derivatives positions and transactions are shown in detail in the reporting. On the one hand, derivatives are efficient and flexible instruments of portfolio management. On the other hand, the use of derivatives is associated with additional risks such as basis risk, curve risk and spread risk, which are monitored in detail and managed systematically. Currently, derivatives are employed in the vast majority of cases for hedging purposes. The risk associated with the employed derivatives is adequately taken into account in the risk controlling.

Risk management objectives
The aim of risk management is to ensure that the investment targets give appropriate consideration to safety, profitability and liquidity while maintaining an appropriate asset allocation and diversification. The intent is to consider the overall-risk situation of the Company. This is characterised, in particular, by the underwriting obligations assumed, the existing structure of investments, own funds and other financial reserves of the Company.

The results of liquidity planning and controlling performed throughout the year are incorporated into the risk management and are taken into account in terms of the time horizon.

Management of the investment portfolio
Investments are subject to detailed guidelines and adherence is continuously monitored, as is compliance with the supervisory provisions. These investment guidelines are designed to serve as framework for the investment strategy, taking into account the operating insurance business and the time horizon. The monitoring of the ratios and limits specified in these guidelines is incumbent on the asset manager's risk controlling and on the Chief Financial Officer. All material changes to the investment guidelines including appendices and/or investment policies must be approved by the full Management Board of the Group and reported to the Supervisory Board.

Risk measurement and control
The risk associated with the bond portfolio is monitored by determining the interest rate risk on the basis of scenario analyses. Compliance with the requirements relating to the bond portfolio's duration is also monitored. The convexity of bond products is further tracked on a daily basis in order to monitor changes in the market values of interest-rate sensitive products. In connection with listed shares, Risk Controlling determines the risk associated with equity instruments on the basis of scenario analyses and stress tests, which are performed at least monthly in compliance with the supervisory regulations.

Fair value development scenarios for securities

Portfolio changes based on market value (EUR million)	
Portfolio	
Equities and other non-fixed interest securities	
Share prices -20%	-46.8
Fixed-interest securities and other loans	
Rise in yield +100 basis points	-261.4
Decline in yield -100 basis points	+275.7

In connection with the exchange rate risk, cover in matching currencies is monitored. Hedges are also entered into using derivatives.

The default risks to be monitored comprise counterparty and issuer risk. Counterparty and issuer risk is controlled on the basis of counterparty lists as well as by monitoring the limits that are defined for each rating class.

EUR million, %		
Bearer bonds	4,158	61.8
Registered bonds/ Promissory note loans	646	9.6
Fixed income funds	1,259	18.7
Loans	670	10.0
Total	**6,733**	**100.0**
Rating AAA	1,647	24.5
Rating AA	1,213	18.0
Rating A	1,955	29.0
Rating BBB	1,628	24.2
Rating < BBB	26	0.4
n. r.	265	3.9
Total	**6,733**	**100.0**

The liquidity risk is taken into account through adequate fungibility and diversification of investments. The Company ensures sufficient liquidity at all times through the coordination between the investment portfolio and insurance obligations as well as the planning of its cash flows.

Key liquidity indicators are reviewed and reported regularly to monitor liquidity risk. Compliance with the specified minimum and maximum limits is tested in connection with the liquidity reserve.

Any risk limit excesses are immediately reported to the Chief Financial Officer and to Portfolio Management.

Operational risks

Operational risks include operating and legal risks. According to the internal risk categories these are as follows: compliance, legal and tax risks, risks arising from processes, security risks associated with information and computer technology, risks associated with business continuity and IT service continuity, personnel risks and the risks of fraud and/or outsourcing risks.

Failure of IT systems is seen as a typical risk scenario in the category of risk associated with business continuity and IT service continuity. This risk is limited, for example, by a back-up data centre as well as by contingency plans.

Risks from the category of process risks are mitigated by the integrated internal control system. Building on structured process documentation, their inherent material process risks and associated controls are identified, documented, implemented, executed and evaluated, and action items are formulated, where necessary. In a specific case, this might mean that existing controls are adapted and/or that new/additional improvements and measures are initiated by the risk management and control officers.

In the compliance, legal and tax risk category, contractual arrangements or regulatory frameworks can lead to risk. In organisational terms, the handling of these issues is supported by appropriate organisational and operational arrangements, such as a competency framework.

Against the background of a business that grows ever more complex and in which customer orientation plays an important role, HDI Global SE attaches a high priority to the qualitative aspects of human resources management as well as the continuing education and training programmes for functional and management staff. This is intended to counter other operational risk, for example in the risk category of personnel risk with the potentially limited availability of personnel.

Other risks

Other risks may include strategic risks, risks to reputation and so-called emerging risks. The principal strategic risk of a rating downgrade is mitigated by the continuous monitoring of capital adequacy and/or the risk bearing capacity as well as regular analyses of plans and forecasts.

Sustainability risks

Sustainability risks do not represent a separate or new risk category; rather, they can manifest themselves in all risk categories. This applies to underwriting, investment and operational risks as well as strategic risks and risks to reputation. Sustainability risks therefore have an impact on the entire risk management system, from the governance system to all key topics and tasks of the risk management process. We are addressing this situation by adding a further dimension to risk management – integrative and holistic along the entire risk management process. Sustainability risks are identified, monitored, evaluated and integrated into risk management.

Overall summary of the risk position

Ongoing geopolitical tensions and armed conflicts are accompanied by increased risks with regard to the political balance of power in Europe and around the world. Consequently, a further difficult and unstable economic environment, e.g. increased volatility on the stock markets, high inflation and interest rates as well as a slowdown in global growth, cannot be ruled out.

On balance, there are presently no known risks that could jeopardise the continued existence of HDI Global SE as a going concern. The Company fulfils the solvency requirements. The Company will publish the specific ratios in April 2024 in the Solvency and Financial Condition Report (SFCR) for the year ended 31 December 2023.

The audit does not cover the determination of the solvency capital requirement (SCR) or the determination of regulatory capital, the entire Solvency and Financial Condition Report (SFCR) in accordance with section 40 of the Insurance Supervision Act (Versicherungsaufsichtsgesetz; VAG) or other reports to the supervisory authorities and the internal models.

Report on expected developments and on opportunities

Our comments below are based on sound expert third-party opinions as well as on plans and forecasts deemed cogent by us; nevertheless, they represent our subjective opinion. Therefore, it cannot be ruled out that actual developments may differ from the expected development presented here.

Economic climate
The global economy cooled further in 2023 in an environment of persistently higher inflation rates, a substantially more restrictive monetary policy around the world and existing (Ukraine) and new (Israel) geopolitical conflicts. Although most central banks have probably already reached their interest rate peak in view of the recent decline in inflation rates, the aftershocks of the immense tightening of monetary policy are likely to continue to weigh on the economy well into 2024. Industrialised countries should bottom out in the first half of 2024, while emerging and developing economies could grow more robustly again beginning in spring.

In Germany and the eurozone, the substantial stagnation of the previous year is likely to continue into the summer. Declining inflation combined with strong wage growth in view of tight labour markets should then lead to real income increases and boost private consumption. These developments should also allow the ECB to begin a cautious cycle of interest rate cuts beginning in the second quarter. In addition, an upturn in the global economy should boost exports and investments in the second half of the year. While we had previously assumed that energy costs in Europe would not fall back to their level prior to the outbreak of the war in Ukraine and would therefore represent a permanent burden for companies and private households, the conflict between Hamas and Israel and the associated disruption of supply routes through the Red Sea have added a further risk factor.

Unlike in Europe, the US economy grew robustly into the fourth quarter of 2023. The peak has probably been reached here: We expect economic output to lose momentum in 2024. The higher level of interest rates is not only putting a brake on lending and investment, but is also having an increasingly negative effect on the labour market, meaning that the strong wage increases of the previous year are unlikely to continue.

There is also a headwind for private consumption due to the resumption of temporarily suspended student loan repayments. However, based on their Covid experiences, companies are likely to shy away from a broad-based layoff of workers, which should avoid a sharp drop in demand. The Fed's first interest rate cuts beginning in the spring and an upturn in the global economy also promise a tailwind for the second half of the year.

We see a significant downside risk for our outlook in particular in the fact that central banks could tighten monetary policy too far in fear of a return of inflation, thereby causing a more severe recession. In a year in which elections are due not only in the USA, but also for a good half of the world's population, we see an increased risk of (geo)political conflicts flaring up (especially China/Taiwan/USA). There are also structural risks such as climate change, the stability of the Chinese economy in light of the ongoing crisis in the real estate sector and the high levels of public and private debt in many economies following the end of the low interest rate environment.

Capital markets
The decline in inflation rates in the US and the eurozone towards the central bank targets should allow the Fed and ECB to shift their focus from fighting inflation to supporting the economy and to start cutting interest rates in the spring.

The parallel rally on the bond and equity markets at the end of 2023 is likely to have already largely anticipated the forthcoming interest rate cuts by the ECB and Fed, meaning that yields on Bunds and US Treasuries should be around their current levels at the end of 2024. We see risks in particular in increased issuing activity coupled with a simultaneous decline in borrowing of government securities by central banks. We believe that the price potential for equities in 2024 will be limited. Equity and corporate bond prices should be spared any major setbacks, as we certainly do not expect a severe recession.

International insurance markets
In international property/casualty insurance, we expect real premium growth in 2024 to be positive and slightly higher than in 2023. We anticipate a positive trend in both developed insurance markets as well as in emerging markets. For the developed insurance markets, we expect premium income to increase in 2024 compared with the reporting period that should, however, lie below the long-term average especially in North America. We also assume that premium growth in the emerging markets will be below the long-term average, which will continue to be driven in particular by the positive premium trend in China. Profitability in international property/casualty insurance should continue to recover in 2024 and be well above the ten-year average. We assume that both investment income, in

view of the rising interest rate level, and income from underwriting due to more appropriate premium rates for corporate and private insurance will continue to improve.

German insurance industry
We expect the overall situation to improve significantly in 2024 and anticipate a significant increase in premium growth in the German insurance market compared with 2023.

In the property/casualty insurance business in Germany, we assume premium income growth will be positive and above the trend again for 2024, driven by inflation-related adjustments to sums and premiums.

HDI Global SE
Financial year 2023 was largely characterised by geopolitical and macroeconomic uncertainties. Nevertheless, HDI Global SE's underwriting result improved significantly compared with the previous year – this trend will continue in 2024:

The implementation of the "HDI Global 4.0" transformation programme was consistently continued in the 2023 financial year.

The programme was flanked by our long-term strategy with the aim to create a global underwriting organisation that takes advantage of profitable growth opportunities in the international industrial insurance market beyond market cycles.

The focus for the 2023 financial year remained on implementing the strategy. A key driver of success here is the involvement of all employees, with a high level of decentralised responsibility. An agile implementation process was introduced globally for this purpose. The key aspects of the strategy, i.e. global player, underwriting and service champion while maintaining HDI Global SE's cost leadership, will support consistent premium growth and an increase in profitability in 2024.

In addition to traditional insurance solutions, the needs-based coverage of complex risks is also facilitated together with our customers. Furthermore, we want to strengthen our market leadership in "International Programmes" (IP) through a broad digital transformation offensive and make it even more attractive for our customers.

In a constantly changing world, future success depends primarily on our employees. Therefore, a global office for People & Culture was introduced with a focus on the sustainable promotion of existing talent and the recruitment of new talent. Furthermore, in line with HDI Global SE's corporate vision "Partner in Transformation" we invested in dedicated resources for innovation and anchored them in the organisation by means of an "Innovation Board" with Board of Management participation.

The capacity for innovation and a focus on service is becoming increasingly important in the insurance industry. This is why numerous projects are being actively promoted in order to shape the digital transformation as well as to harmonise and optimise the process and IT landscape worldwide. Despite the correspondingly necessary investments a slight decline of the net expense ratio is assumed.

As a result of the assumptions described above, a small decrease in the loss and expense ratio (on a net basis) before allocations to the equalisation reserve is expected.

In 2023, the capital markets were characterised by higher key interest rates both in the eurozone as well as in other currency zones and an associated decrease in inflation rates.

Existing market-influencing uncertainties resulting from macroeconomic trends and geopolitical crises are expected to continue in the 2024 financial year. Nevertheless, new investments can benefit from higher interest rates and our investment strategies continue to be actively geared towards possible interest rate adjustments on the part of central banks. Therefore, net investment income in 2024 is expected to significantly exceed the previous year's level.

Despite the aforementioned macroeconomic uncertainties, aggregate income is expected to increase slightly in 2024 compared with the previous year.

Opportunities arising from changes in the framework conditions
Climate change
The average temperature on earth is rising with the increasing emission of greenhouse gases. As a result, extreme weather events are becoming more frequent, which significantly increases the volume of losses from natural disasters and leads us as an insurer to expect increasing demand for insurance solutions to cover risks from natural disasters. This applies to the primary insurance sector as well as to reinsurance. We have both highly developed risk models for estimating risks from natural disasters and extensive expertise in risk management. This puts us in a position to offer our customers tailor-made insurance solutions to cover existential risks. Furthermore, there is an increased need as a result of climate change to cover rising energy needs from renewable sources of energy. As an institutional investor, this enables us to put much more money into alternative investments such as wind farms.

Energy transition
Germany made the fundamental decision for its society to meet its energy requirements in the future primarily from renewable sources. At the federal level, the energy transition and climate protection are of great importance. The reorganisation of the energy system in favour of a regenerative provision of energy is to be accelerated, whereby the focus will be simultaneously placed on halting the cost increase for the consumers. In addition to a further expansion of renewable sources of energy in a stable regulatory environment, energy efficiency is becoming increasingly important. We see an opportunity to make Germany an even better place to do business by reorganising the energy system, which can become an important provider of stimulus for innovation and technological progress. As insurance group, we are actively supporting this transformation. Industrial insurance customers are offered tailored solutions for the development, sales and implementation of new energy technologies. In addition to renewable sources of energy, storage technologies, the expansion of the grid and the intelligent management of individual components (smart grid) will contribute to the success of the energy transition. The energy transition is being supported with these investment activities in the energy sector. Building on existing investments in energy networks and wind farms, in the future we want to further expand our investments in the energy distribution and renewable energy segments.

If we should benefit more than currently expected from sales opportunities due to the energy transition, premium growth and profitability could be positively impacted, as a result of which the forecasts could be exceeded.

Opportunities created by the Company
Digitalisation
Hardly any other development is changing the insurance industry as permanently as technological innovation: Business processes and models are being fundamentally redesigned through the use of IT systems. This development is crucial in particular for the competitiveness of insurance companies. It creates new opportunities in the communication with customers, the processing of insurance claims, the evaluation of data and the development of new business fields.

We are conducting numerous projects in order to shape the digital transformation. This also includes creating added value through artificial intelligence (AI). For years, the experts at HDI Global have been using AI models that generate clear results from structured data. However, with its in-house generative AI solution HDI GPT, the Company for the first time now has the possibility of gaining insights from unstructured data in text or image form in real time to support HDI Global employees. There are already clear benefits for customers and employees, above all time savings thanks to optimised processes in compliance with applicable data protection and compliance requirements. The ongoing examination of potential further use cases is an integral part of the corporate strategy.

If the Group’s digitalisation projects are implemented faster and adopted by the customers more quickly than currently expected, the premium trend and results of operations could be positively impacted, as a result of which the forecasts could be exceeded.

Agility
Changes in the globalised world in the information era are taking place at an increasingly fast pace. The world is characterised by volatility, uncertainty, complexity and ambiguity (VUCA). As an insurance company, in order to keep up with the speed of these changes, it is necessary for the Company to transform itself into an agile organisation. Being an agile organisation means for us being a learning organisation that focuses on the customers’ benefit in order to increase the Company’s profits. For this reason, we are counting on interdisciplinary and creative teams, open and direct communication and flat hierarchies as well as practising the art of dealing with errors. By numerous initiatives, we are supporting the transformation of our company into an agile organisation. We design our workplaces in a way to shorten paths of communication and promote interdepartmental exchange. With the help of our Agility Campus our employees become familiar with agile methods and are given the ability to develop new solutions independently. Daily stand-up meetings are conducted in our teams in order to improve the teams’ self-management. Furthermore, we are focusing on hybrid work and offer our employees the opportunity to complete up to 60% of their work remotely, i.e. outside of the office. This enables our employees to better balance work and family life, while at the same time maintaining a direct exchange among colleagues. Agility offers opportunities for customers, employees and investors. Customers can benefit from new insurance solutions that are tailored precisely to their needs. Employees have greater flexibility and scope for new ideas when they work agilely and can grow with new challenges. Finally, investors benefit from increasing corporate profits, when the customers are satisfied and the employees can take full advantage of their potential.

If the transformation into an agile organisation should be implemented more quickly than expected, the premium trend and profitability could be positively impacted, as a result of which the forecasts could be exceeded.

Focusing on the core HDI brand
As an entity of the Talanx Group, we can look back on a tradition of over one hundred years. By focusing on the core HDI brand within the Talanx Group, we see opportunities both to develop a stronger common identity internally as well as to increase visibility vis-à-vis our customers and speak with one voice.

If the focus on the core HDI brand as part of the brand strategy of the Talanx Group should make a greater contribution than expected towards strengthening the HDI brand, premium growth and the profitability could be positively impacted, as a result of which the forecasts could be exceeded.

Sales opportunities
New markets and the bundling of business
Owing to the Group's decentral structure, individual entrepreneurial thinking and action can be developed, which leads to a focused observation of the customer markets. Further market opportunities are seen in the continuous expansion of the insurance business in local markets abroad as well as in international programmes. In summary, the share of international business in the overall portfolio is to be further increased by means of these programmes, supported by a broad technology offensive.

Despite the challenges, as a traditional and experienced industrial insurer we have the necessary expertise as well as the corresponding processes and working methods to take advantage of our opportunities and continuously increase profitability.

If the sales opportunities arising from the development of new markets and the bundling of business can be better utilised than currently expected, the premium trend and profitability could be positively impacted, as a result of which the forecasts could be exceeded.

Report on equality and equal pay

Diversity Management
The diversity of employees is also part of HDI Global SE's corporate identity. As a company, we derive a large part of our performance and efficiency from precisely this diversity. We are convinced that a diverse, inclusive and respectful corporate culture is a key factor for business success and helps ensure that all employees reach their full potential.

People with different genders and gender identities of all ages with various national, ethnic, social and religious backgrounds and different sexual orientations as well as people with and without physical and mental disabilities work together at HDI Global SE. A corporate culture characterised by respect, appreciation and mutual acceptance is cultivated. The goal is to provide not only for a working atmosphere characterised by openness and inclusion, but also to actively and consciously take advantage of diversity in order to maintain and further increase the success and competitiveness of the Group and the companies. HDI Global SE is committed to embedding diversity, equity and inclusion (DE&I) strategically under the motto "BeYou. Together we are traditionally different." The commitment to DE&I and the strategy adopted are reflected in a number of activities and measures already initiated and increasingly established in the Group: A DE&I Policy with six principles to complement the Code of Conduct (Promote DE&I; Ensure equal opportunity, fairness and respect; Zero tolerance for discrimination; Actively promote civility; Knowledge as strength; transparency). Filling half of all vacant management positions with female employees and applicants. The introduction of inclusive language (start and focus in 2022 is the diversity dimension "Gender and gender identity"). A package of measures for 2022 (including workshops and round tables with the Talanx Board of Management, internal communication campaigns, raising awareness in recruiting, mentoring, training). Engagement in the external diversity network BeyondGenderAgenda. Three additional employee networks were also established during the financial year (International DE&I Community, Parents@hdi and Internationals@HDI).

HDI Global SE pledges to support equal opportunities and would like to further increase the number of women in managerial positions. The development of talented women in higher technical or management positions is supported with the help of a development programme. The women's network Women@Talanx, which provides women in the Group with a platform for discussion and mutual support, has been in operation since 2016. In order to prevent a lack of female managers, an effort is made to bring about a balanced level of diversity when hiring apprentices.

In order to bolster the personal resources, the employees fall back on comprehensive prevention measures as part of holistic health management. This year, for example, a digital health week programme was conducted for the third time. The Employee Assistance Programme introduced in 2016 will be continued. The offer includes an anonymous and immediate consultation free of charge in the event of private, professional or psychological health concerns as well as a family service. There are also many other offerings with respect to balancing work and family life, such as arranging daycare places, parent-child offices, holiday and leisure activities and support in the provision of nursing care for relatives with cooperation partners.

Equal pay

Remuneration is paid independent of gender. Employees who are remunerated based on the collective salary agreement for the private insurance industry receive a collectively agreed salary based on the relevant pay scale group. In addition, the pay of pay-scale and non-pay-scale employees is reviewed annually as part of a uniform process with the goal of avoiding any wage differences between the sexes.

The Report on equality and equal pay is neither a component of the annual financial statements nor of the management report; as such, the corresponding provisions and thereby associated legal consequences in particular under the German Commercial Code (HGB) do not apply.

Scope of business operations

Branches

In Germany
Berlin, Dortmund, Düsseldorf, Essen, Hamburg, Hannover, Leipzig, Mainz, Munich, Nuremberg, Stuttgart.

International
Athens, Brussels, Copenhagen, Dublin, Hong Kong, Labuan, Lissabon, London, Madrid, Milan, Oslo, Paris, Rotterdam, Singapore, Sydney, Tokyo, Toronto, Zurich.

Products

Fire insurance

Liability insurance

Motor insurance

Credit and collateral insurance

Aerospace liability insurance

Aviation insurance

Legal protection insurance

Marine insurance

Casualty insurance

Comprehensive contents insurance

Comprehensive residential building insurance

Other property insurance

Other non-life insurance

Balance sheet as at 31 December 2023

Assets			**31.12.2023**	31.12.2022
EUR thousand				
A. Intangible fixed assets				
I. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets			660	801
B. Investments				
I. Land, land rights and buildings, including buildings on third-party land		165,378		156,290
II. Investments in affiliated companies and other equity investments				
1. Shares in affiliated companies	2,207,826			2,074,943
2. Loans to affiliated companies	639,065			657,783
3. Other long-term equity investments	133,055			151,786
4. Loans to other long-term investees and investors	31,466			31,747
		3,011,412		**2,916,259**
III. Other investments				
1. Shares, interests or shares in investment funds and other floating-rate securities	1,605,183			1,574,449
2. Bearer bonds and other fixed-interest securities	4,157,866			3,886,171
3. Mortgages, land charges and annuity land charges	300			307
4. Other loans				
a) Registered bonds	506,657			546,105
b) Notes receivable and loans	139,680			169,179
5. Deposits with financial institutions	97,451			34,924
		6,507,138		**6,211,134**
IV. Deposits retained by ceding companies on busniess accepted for reinsurance		13,397		18,034
			9,697,324	**9,301,718**
C. Receivables				
I. Receivables arising from direct written insurance business, due from:				
1. Policy holders	438,315			366,692
2. Intermediaries	592,072			444,555
		1,030,387		**811,247**
II. Receivables on reinsurance business of which due to affiliated companies: EUR 124,702 (102,559) thousand of which other long-term investees and investors: EUR 15 (0) thousand		421,452		613,516
III. Other receivables of which due to affiliated companies: EUR 164,639 (165,407) thousand		866,155		832.594
			2,317,995	**2,257,358**
D. Other assets				
I. Tangible fixed assets and inventories		10,027		11,385
II. Cash at banks, cheques and cash-in-hand		543,930		156,290
			553,958	**487,615**
E. Accrued or deferred items				
I. Deferred rent and interest income		61,880		52,575
II. Other prepaid expenses		4,769		5,683
			66,650	**58,257**
F. Excess of plan assets over post-employment benefit liability			0	79
Total assets			**12,636,587**	**12,105,828**

Equity and liabilities			**31.12.2023**	**31.12.2022**
EUR thousand				
A. Equity				
I. Subscribed capital		125,000		125,000
II. Capital reserves		284,043		284,043
			409,043	**409,043**
B. Subordinated liabilities			380,000	380,000
C. Underwriting provisions				
I. Unearned premium reserve				
1. Gross amount	1,758,400			1,485,270
2. less: share for business ceded for reinsurance	1,054,631			829,954
		703,769		**655,316**
II. Provision for outstanding claims				
1. Gross amount	14,670,043			14,282,194
2. less: share for business ceded for reinsurance	7,356,056			7,153,622
		7,313,987		**7,128,572**
III. Provision for profit-related and non-profit-related premium refunds				
1. Gross amount	2,668			8,338
2. less: share for business ceded for reinsurance	641			471
		2,027		**7,866**
IV. Equalisation reserve and similar provisions		962,059		803,525
V. Other underwriting provisions				
1. Gross amount	73,052			66,182
2. less: share for business ceded for reinsurance	17,710			15,842
		55,342		**50,340**
			9,037,185	**8,645,618**
D. Other provisions				
I. Provisions for pensions and similar obligations		512,805		523,053
II. Provisions for taxes		75,409		60,942
III. Other provisions		85,301		71,949
			673,516	**655,944**
E. Deposits retained on reinsurance ceded			157,117	156,253
F. Other liabilities				
I. Liabilities from direct written insurance business due to:				
1. Policy holders	114,219			77,007
2. Intermediaries	213,199			173,338
		327,417		**250,345**
II. Payables on reinsurance business of which due to affiliated companies: EUR 214,923 (165,715) thousand of which other long-term investees and investors: EUR 33 (0) thousand		706,287		767,846
III. Other liabilities of which taxes: EUR 75,656 (57,701) thousand of which social security: EUR 1,991 (1,685) thousand of which due to affiliated companies: EUR 302,904 (262,262) thousand		944,326		837,254
			1,978,030	**1,855,445**
G. Deferred and accrued items			1,696	3,524
Total equity and liabilities			**12,636,587**	**12,105,828**

The annuity provision recognised on the balance sheet as at the close of the 2023financial year under equity and liabilities C.II. is equal to EUR 55,973,834.04. It is confirmed that the provision for outstanding pension claims shown on the balance sheet under line C.II. has been calculated in consideration of section 341f and section 341g HGB as well as in compliance with the regulation issued based on section 88 (3) of the Insurance Supervision Act (*Versicherungsaufsichtsgesetz;* VAG).

Hannover, 25 January 2024 The Responsible Actuary Britta Quiel

Income statement for the period from 1 January to 31 December 2023

I. Underwriting account			**2023**	**2022**
EUR thousand				
1. Premiums earned for own account				
a) Gross written premiums	6,490,433			5,796,388
b) Premiums ceded to reinsurance	4,183,427			3,519,039
		2,307,007		**2,277,349**
c) Change to the gross premium reserve unearned	-292,652			-210,609
d) Adjustment of reinsurers' share in gross premiums unearned	-237,614			-153,586
		-55,037		**-57,023**
			2,251,969	**2,220,326**
2. Underwriting interest income for own account			109	108
3. Other underwriting income for own account			7,137	7,182
4. Expenses on insurance claims for own account				
a) Claims payments				
aa) Gross amount	2,890,544			2,732,231
bb) Reinsurers' share	1,592,585			1,428,450
		1,297,959		**1,303,780**
b) Changes to the provision for outstanding claims				
aa) Gross amount	471,035			1,256,857
bb) Reinsurers' share	252,777			801,387
		218,258		**455,470**
			1,516,216	**1,759,251**
5. Change to other net underwriting provisions			3,811	-13,313
6. Expenses for profit-related and non-profit related premium refunds for own account			7,533	2,221
7. Expenses for insurance operations for own account				
a) Gross expenses for insurance operations		1,064,109		949,868
b) less: commissions and profit commissions received for business ceded to reinsurance		646,397		534,480
			417,712	**415,388**
8. Other underwriting expenses for own account			18,261	12,675
9. Subtotal			**295,683**	**51,395**
10. Changes to equalisation reserve and similar provisions			-158,535	-606
11. Underwriting result for own account			**137,148**	**50,788**

II. Non-underwriting account			**2023**	**2022**
EUR thousand				
1. Investment income				
a) Income from long-term equity investments of which from affiliated companies: EUR 3,816 (13,298) thousand	14,617			26,195
b) Income from other investments of which from affiliated companies: EUR 22,725 (18,262) thousand				
ba) Income from land, land rights and buildings, including buildings on third-party land	12,946			13,391
bb) Income from other investments	187,489			128,597
c) Income from reversal of write-downs	13,047			1,481
d) Gains on disposal of investments	22,529			16,416
e) Income from profits received under profit pooling, profit-or-loss transfer, or partial profit transfer agreements	72,792			105,602
		323,421		**291,682**
2. Investment expenses				
a) Investment management expenses, interest expenses and other expenses related to capital investments	11,093			12,724
b) Write-downs of investments	6,211			13,968
c) Losses on disposal of investments	115,857			21,586
d) Cost of loss absorption	5			0
		133,166		**48,278**
		190,255		**243,404**
3. Underwriting interest income		109		108
			190,146	**243,295**
4. Other income		81,274		86,058
5. Other expenses		201,398		190,966
			-120,125	**-104,908**
6. Result from ordinary activities			**207,170**	**189,176**
7. Taxes on income		50,706		55,593
8. Other taxes		28,505		15,840
			79,211	**71,432**
9. Loss transfer		-		-
10. Profit transferred on the basis of profit pooling, profit-and-loss-transfer, or partial profit transfer agreements		127,959		117,743
11. Net profit/loss for the year			**0**	**0**

Notes to the financial statements

General information

HDI Global SE is headquartered at HDI-Platz 1, 30659 Hannover, entered in the commercial register of the Local Court of Hannover (Amtsgericht Hannover) under HRB 60320.

The annual financial statements and the management report for the 2023 financial year were prepared in accordance with the regulations in the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the German Insurance Supervision Act (VAG) and the Regulation on the Accounting of Insurance Undertakings (RechVersV) in the version applicable as at the balance sheet date.

Accounting policies

Assets

Intangible fixed assets
Intangible fixed assets were recognised at cost less amortisation based on the standard useful life of five years.

Land, land rights and buildings, including buildings on third-party land
Land and buildings were accounted for at cost, less straight-line depreciation of buildings based on the standard useful life (section 341b(1) sentence 1 in conjunction with sections 253(3) Sentence 1 and 255(1) and (2) HGB) and write-downs if the impairment is expected to be permanent (section 253(3) sentence 5 HGB).

Investments in affiliated companies and other long-term equity investments
Investments in affiliated companies and other long-term equity investments were recognised at cost less any write-downs to the lower fair value in accordance with section 341b(1) sentence 2 HGB in conjunction with section 253(3) sentence 5 HGB.

Loans to affiliated companies and other long-term investees and investors were measured at amortised cost using the effective interest method in accordance with section 341c(3) HGB, whereby the investments were recognised at the purchase price upon acquisition. The difference to the repayment amount was amortised using the effective interest method. Necessary write-downs were recognised based on the less strict lower-of-cost-or-market principle.

Other investments
Provided that they are accounted for based on the principles governing current assets, stocks, shares, or investment fund units and other variable-interest-bearing securities as well as bearer bonds and other fixed-interest securities were measured according to the strict lower-of-cost-or-market principle at cost or the lower quoted or market price. The requirement to reverse write-downs was observed (section 341b(2) HGB in conjunction with sections 255(1) and 253(1) sentence 1, (4) and (5) HGB). If these securities are intended to serve the business operations permanently, they were measured according to the less strict lower-of-cost-or-market principle (section 341b(2) second half-sentence HGB in conjunction with section 253(1) sentence 1 and (3) sentence 5 HGB). Permanent impairment was recognised in profit or loss.

In order to assess the existence of permanent impairment with respect to bearer bonds and other fixed income securities accounted for as fixed assets, credit assessments of the issuers and the development of the ratings were taken into account.

In order to identify the existence of expected permanent impairment, in particular with respect to publicly-traded units or shares of investment funds, the applicability criteria recommended by the Insurance Committee of the IDW (VFA) were applied. Accordingly, permanent impairment may exist whenever the fair value of a security is continuously more than 20% below its carrying amount in the six months preceding the balance sheet date, as well as in the event that the average value of the daily stock market prices in the last twelve months is more than 10% below the carrying amount. If the necessary information for a look-through approach was available, the assessment of the probable permanence of an impairment for units or shares in investment funds was based on the assets held in the fund if there was an unrealised loss on the investment unit as at the reporting date.

For securities acquired above or below par, the difference was amortised over the term to maturity using the effective interest method.

Mortgages land charges and annuity land charges as well as registered bonds, notes receivable and loans were measured at amortised cost (section 341c(3) HGB), whereby the investments are recognised at the purchase price or the payout amount upon acquisition. The difference to the repayment amount was amortised using the effective interest method. Necessary write-downs were recognised based on the less strict lower-of-cost-or-market principle (section 341b(2) second half-sentence HGB in conjunction with section 253(1) sentence 1, (3) sentence 5 HGB).

As a general rule, derivatives were measured at cost or the lower fair value prevailing on the balance sheet date. In case of a negative market value, provisions for anticipated losses from pending transactions were recognised.

Foreign exchange forwards are subject to a prohibition on recognition according to the so-called non-recognition principle for pending transactions. In case of a negative market value, provisions for anticipated losses from pending transactions would be recognised. There were no open foreign exchange forwards as of 31 December 2023.

The portfolio includes structured products in the form of bearer bonds, registered bonds, notes receivable and loans as well as loans to affiliated companies. They were recognised and measured in conformity with the balance sheet item in which they are carried. With respect to the structured products in the portfolio, they are financial instruments for which the underlying instrument in the form of a fixed income cash instrument is contractually bundled as a unit with one or more derivatives. Provided the requirements of IDW AcP AAB 22 are satisfied, they are accounted for uniformly at amortised cost based on the provisions for investments accounted for as assets according to the less strict lower-of-cost-or-market principle (section 341b(1) sentence 2 HGB in conjunction with section 253(3) sentence 5 HGB).

Deposits with banks and funds withheld were recognised at their nominal amounts.

Receivables
Receivables from policyholders and insurance intermediaries were recognised at their nominal amounts. A global valuation allowance of 1% was calculated for business in Germany in the reporting period. For the international business, a global valuation allowance was recognised based on the age structure of receivables from policy holders and insurance intermediaries.

Reinsurance receivables and other receivables were recognised on the balance sheet date at their nominal amounts. The general default risk in accounts receivable from reinsurers was taken into account by recognising a global valuation allowance in the amount of 1%.

Since the cost accounts were closed for new postings before the balance sheet date, costs that were posted after the record date for accrued and deferred items were recognised as other receivables. This item is offset by estimated costs for the period between the closing of the cost accounts and the balance sheet date, which were reported under other provisions.

Other assets

Operating and office equipment was recognised at cost and is depreciated over the standard useful life. The depreciation was applied according to the straight-line method; the periods of useful life range from five to fifteen years. Low-value items up to EUR 250 are immediately recognised as operating expenses. Low-value items costing between EUR 250 and EUR 800 are capitalised and written off in the year of acquisition. Some inventory items are carried at a fixed value.

Cash at banks, cheques and cash-in-hand were recognised at their nominal amount.

Prepaid expenses

The items to be included under prepaid expenses were recognised at nominal value

Deferred taxes

Since HDI Global SE in its relationship with Talanx AG is a consolidated tax group subsidiary (Organgesellschaft), deferred taxes on measurement differences of the German parent company were presented at the level of the consolidated tax group parent (Organträger), so that only differences between the carrying amounts in the financial accounts and in the local tax accounts of the foreign branch office are to be taken into account.

The anticipated future tax expenses and refunds for each permanent establishment were netted when determining accrued tax amounts. For this purpose, deferred tax liabilities from temporary differences (in particular from provisions for outstanding claims) were netted with the deferred tax assets from temporary differences (in particular with respect to the differing carrying amounts of the equalisation reserves in the financial accounts and the local tax accounts) as well as with deferred tax assets on tax loss carry forwards for all foreign branches separately for each individual country. Deferred taxes were measured based on the local tax rate. Due to the existing option to recognise deferred tax assets, the excess of assets over liabilities resulting from the netting was not accounted for on the balance sheet.

Tax rates

	2023
In %	
Australia, Sydney	30.0
Japan, Tokyo	28.0
Canada, Toronto	26.5
Denmark, Copenhagen	26.0
France, Paris/The Netherlands, Rotterdam	25.8
Belgium, Brussels/Norway, Oslo/Spain, Madrid/United Kingdom, London	25.0
Italy, Milan/Malaysia, Labuan	24.0
Greece, Athens	22.0
Singapore (onshore / offshore)	17.0/10.0
Switzerland, Zurich	16.7
China, Hong Kong	15.8
Ireland, Dublin	15.0

Equity and liabilities

Subordinated liabilities
The subordinated liabilities were recognised at their nominal amount.

Underwriting provisions
The unearned premium reserve for both direct business as well as business accepted for reinsurance were determined according to the 1/360 method or for the exact number of days (pro rata temporis) and reduced by the total commissions and other remuneration of the representatives in compliance with the circular from the German Federal Minister of Finance dated 30 April 1974. The shares ceded for reinsurance are accrued in accordance with the contractual agreements.

For the direct written insurance business, the provision for outstanding claims was determined separately for each individual claim. In the co-insurance business, the information provided by the lead insurers was adopted. If the information from the lead insurers was not available as at the balance sheet date, the provisions were estimated for each business relationship on the basis of past experience. In motor liability, motor comprehensive and motor partial own damage insurance, the group-valuation option was used for unsettled minor claims. The provision for the indemnification of claims for losses in the financial year was measured globally in the maritime area for the investment and underwriting business based on past experience from prior years.

Corresponding provisions for claims incurred but not yet reported (“IBNR”) were recognised for insurance claims that were not yet known at the balance sheet date. These provisions for claims incurred but not yet reported were calculated based on the origin of the insurance business as well as the distinctive characteristics of the lines using the respectively appropriate actuarial methodology.

The annuity provision calculated in accordance with section 65 VAG (German Insurance Supervisory Act) and the provision for anticipated claims adjustment expenses were recognised in addition. The provision for external claims adjustment expenses is comprised of external and internal costs. Whereas the provision for external claims adjustment expenses is recognised for each individual insurance claim, the provision for internal claims adjustment expenses is determined using a factor-based approximation method. This method is based on actual claims payments made as a measure of volume for costs incurred and determines the future provision for internal claims adjustment expenses as a percentage share of the current provision for claims payments based on this relationship. The corresponding percentage rate/factor is determined as the average of historical observation years. Since it is assumed that the claims for reported losses have already been partially adjusted, the determined factor is reduced based on past experience for specific lines.

The (gross) annuity claims provision included in the provision for outstanding claims was calculated based on actuarial principles. The calculation was made based on the DAV 2006 HUR actuarial chart for women and men. As in the previous year, the actuarial interest rate is 0.2%.

Receivables from recoveries, salvages and loss sharing agreements for settled claims have been taken into account as deductions to the loss provision (“loss reserve”).

The provision for premium refunds was calculated based on the contractually agreed terms and conditions, taking into account current business developments.

The equalisation reserve was calculated in compliance with the regulations according to section 29 RechVersV and the Appendix to section 29 RechVersV as well as the Regulations on Reporting for Insurance Undertakings (BerVersV).

The provision for the insurance for nuclear facilities and terrorism risk was calculated in accordance with section 30(2) and/or (2a) RechVersV. The provision for major risks relating to pharmaceutical risk was determined in accordance with section 30(1) RechVersV.

The other underwriting provisions were determined as follows:

The provision for premium adjustments was recognised on the basis of portfolio analyses in connection with expert opinions.

The provision for premium lapse risks was calculated by determining the average rate of premium lapses for the last three years and multiplying it with the premiums for the current year.

The provision for obligations arising from membership in the Verkehrsopferhilfe e. V. association was recognised according to the notice from the association. The provision for repayment amounts on suspended motor insurance policies was determined on a contract-by-contract basis.

The provision for impending losses from directly written insurance business or insurance business accepted for reinsurance reported under other underwriting provisions in accordance with section 31(1) no. 2 RechVersV are recognised as the negative balance of the income expected for the contracts for which there is a legal obligation at the balance sheet date and the expected expenses. The income includes the expected premium as well as the effects of interest. The expenses include claim expenses and administrative expenses. The expense items are derived based on past experience and adjusted as needed if the forecast of future performance was distorted by effects in prior loss years.

With respect to the underwriting provisions from the insurance business accepted for reinsurance, the provisions ceded by the prior insurers were generally recognised under liabilities unless the Company had better knowledge. To the extent that the amounts ceded were not yet available at the time that the financial statements were prepared, the provision for losses (“loss reserve”) was estimated using the amounts ceded last year.

Other provisions

Pension liabilities were recognised in accordance with section 253(1) sentence 2 HGB in the amount of the settlement amount dictated by prudent business judgement and discounted according to section 253(2) sentence 2 HGB with the average interest rate for the past ten years forecasted as of 31 December 2023 with an assumed remaining term of fifteen years by the German Bundesbank in accordance with the Regulation on the Discounting of Provisions (RückAbzinsV) published on 30 September 2023.

The principles of IDW AcPS FAB 1.021 were applied to the measurement of provisions for reinsured direct commitments.

The projected unit credit method was used to determine pension provisions for non-reinsured employer-financed pension commitments.With regard to reinsured employer-financed pension commitments, pension provisions are either measured at the carrying amount of the corresponding reinsurance claim (Aktivprimat) or using the actuarial provision method (Deckungskapitalverfahren). Pension provisions for non-securities-linked employee-financed commitments were calculated using the projected unit credit method, unless the benefits are covered by reinsurance. For reinsured benefits, the settlement amount therefore corresponds to the fair value of the plan assets of the life insurance policy plus surplus participation. The adjustment of benefits with respect to commitments under deferred compensation as a result of future expected surplus participation on the part of reinsurers was taken into account based on individual agreements.

The measurement is based on the turnover probabilities (probabilities of withdrawal) according to the “Heubeck 2018G actuarial charts”, which were reduced based on the risk trend observed in the portfolio. Further information regarding trend assumptions, the discount rate and the difference in accordance with section 253(6) HGB is provided under section D.1 Provisions for pensions and similar obligations of this report. The expected total return required for the valuation of reinsured direct commitments is 3.30% to 3.60%, depending on the life insurer.

The securities-linked employee-financed commitments are exclusively pension commitments covered by fully matched benefit reinsurance, which are measured in accordance with section 253(1) sentence 3 HGB. For these commitments, the settlement amount therefore corresponds to at least the fair value of the plan assets of the life insurance agreement plus participation in surplus assets.

Provisions for taxes and other provisions take all identifiable risks and uncertain obligations into account and were recognised at the settlement amount dictated by prudent business judgement.

Provisions with a remaining term of more than one year relate primarily to obligations from the share-based payment system, which were recognised at fair value.

Deposits retained
Deposits retained on ceded business from direct insurance business were recognised at the settlement amount.

Other liabilities
Other liabilities are recognised at their settlement amounts.

Deferred income
Income prior to the reporting date was presented under deferred income to the extent that it represents income for a specific period after the reporting date.

Approximation and simplification methods
For the purposes of the timely preparation of the consolidated financial statements and the requisite punctual delivery of the individual financial statements, both written amounts as well as estimates were used as part of the fast-close process implemented in reinsurance.

The reinsurers’ contractual shares of the relevant gross line items were determined and posted as at the current reporting date for material reinsurance contracts. A time lag of one month compared to the gross line items was applied for selected reinsurance contracts. In the case of material fluctuations, separate estimates were entered; for example, losses incurred above the priority in connection with non-proportional reinsurance contracts, thereby taking large loss events into account up to the current reporting date.

The method used is subject to regular technical controls; in aggregate, it does not have a material effect on the net assets, financial position and results of operations of the Company.

Currency translation
If there are items denominated in foreign currency, they are translated as at the balance sheet date, at the closing rate (mean spot exchange rate) for balance sheet items and at the average rate for items in the income statement. With respect to monthly foreign currency measurement, the portfolio positions are translated at the respective exchange rate prevailing at the end of the month.

The translation rate for the monthly measurement of income statement line items is the respective final rate on the last day of the preceding month. These items are translated using a rolling method. The addition of the translated individual items effectively results in a translation at average rates.

In order to limit exposure to currency risk as much as possible, liabilities denominated in a foreign currency are largely matched with assets in the same currencies/amount. For each currency, the foreign currency liabilities are combined with the foreign currency assets matching them in hedging relationships in accordance with section 254 HGB (portfolio hedges), whereby the items allocated to the hedging relationships are primarily non-current assets, underwriting provisions and non-current liabilities. Foreign currencies are generally translated regardless of the restrictions of the historical cost convention and the realisation principle.

If there is a surplus for a particular currency, it is examined whether it is sustainable or not. Sustainable surpluses are combined with foreign currency forwards in separate hedging relationships in accordance with section 254 HGB and are generally translated independent of the restrictions of the historical cost convention and the realisation principle. In the reporting period, there were sustainable surpluses exclusively in the Swiss franc.

The gross hedge presentation method is applied to the effective portion of the hedging relationships.

Temporary surpluses and deficits are generally translated immediately through profit or loss. The remaining assets and liabilities outside of the aforementioned hedging relationships per currency have a remaining term of less than one year and are therefore measured in compliance with section 256a HGB.

In addition to this, the Company applied further hedge accounting in accordance with section 254 HGB (microhedge; purchase and sale of offsetting derivatives in USD) in the financial year.

The net hedge presentation method is applied to the effective portion of the hedging relationship. The ineffective portion of the hedging relationship will be recognised by setting up a provision for hedging relationships.

Assets

Changes to assets A. and B. I. to B. III in the 2023 financial year

EUR thousand	Balance sheet amounts for the prior year	Additions
A. Intangible fixed assets		
I. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	801	105
B. I. Land, land rights and buildings, including buildings on third-party land	156,290	12,230
B. II. Investments in affiliated companies and long-term equity investments		
1. Shares in affiliated companies	2,074,943	150,720
2. Loans to affiliated companies	657,783	50,141
3. Long-term equity investments	151,786	1,835
4. Loans to other long-term investees and investors	31,747	–
Total B. II.	**2,916,259**	**202,697**
B. III. Other investments		
1. Shares, shares in investment funds and other non-fixed interest securities	1,574,449	89,172
2. Bearer bonds and other fixed interest securities	3,886,171	2,079,024
3. Mortgages, land charges and annuity land charges	307	–
4. Other loans		
a) Registered bonds	546,105	169
b) Promissory notes and loans	169,179	553
5. Deposits with financial institutions	34,924	61,555
Total B. III.	**6,211,134**	**2,230,472**
Total	**9,284,484**	**2,445,504**

Disposals	Reclassifications	Exchange rate fluctuations	Reversal of write-downs	Amortisation, depreciation and write-downs	Balance sheet values for the financial year	Market values 31.12.2023
–	–	4	–	249	**660**	**n/a**
–	–	–	–	3,142	**165,378**	**229,841**
2,500	–	–15,297	–	41	**2,207,826**	**3,285,002**
62,856	–	–6,003	–	–	**639,065**	**592,455**
11,642	-7,003	368	–	2,289	**133,055**	**173,489**
1,289	–	1,008	–	–	**31,466**	**31,466**
78,287	**-7,003**	**–19,924**	–	**2,330**	**3,011,412**	**4,082,411**
64,807	7,003	-381	0	253	**1,605,183**	**1,543,949**
1,800,604		-7,884	1,644	485	**4,157,866**	**4,017,519**
7	–				**300**	**266**
39,616	–	–	–	–	**506,657**	**466,646**
30,051	–	–	–	–	**139,680**	**131,518**
–	–	972	–	–	**97,451**	**97,451**
1,935,086	**7,003**	**-7,292**	**1,644**	**738**	**6,507,138**	**6,257,349**
2,013,373	–	**-27,213**	**1,644**	**6,459**	**9,684,588**	**10,569,601**

B. Investments

The fair values of the investments were determined as follows:

The income capitalisation approach in accordance with the regulations concerning the principles governing the assessment of the fair market values of properties (German Ordinance on the Valuation of Property/Real estate; ImmoWertV) and the supplementary Valuation Guidelines are applied to determine the fair value of our real estate. The present value of cash flows generated by each property and discounted over its remaining economic useful life was determined using this approach. Current market values were determined at least every five years by independent, publicly sworn experts (section 55(3) RechVersV). For all land and buildings newly acquired or constructed close to the balance sheet date and for land and buildings under construction, the costs (provided there were no indications of an expected permanent impairment) or the values determined by an independent, publicly sworn expert were recognised in the first year after acquisition.

The market value of the shares in affiliated companies and other long-term equity investments has been determined individually based on the business objective and size. When determining the fair values of the interest in affiliated companies and other long-term equity investments, companies valued using the income capitalisation approach were recognised by default at the present value of their future distributable financial surpluses (income capitalisation value). For companies that subscribe to equity instruments not traded on the capital market (private equity funds, real estate funds and other alternative investments), the measurement is carried out analogously to comparable instruments that are held directly using the net asset value approach.

The fair values of loans to affiliated companies and other long-term investees and investors, registered bonds, notes receivable and loans, mortgages, land charges and annuity land charges, other loans as well as loans and advance payments on insurance policies were determined by means of a present value method with the aid of product- and rating-specific yield curves. Special structures such as deposit protection, guaranty obligations, or subordination were taken into account with respect to the spread premiums applied. Some loans to affiliated companies and other long-term investees and investors were recognised at the book value. The fair value of zero coupon registered bonds and zero coupon notes receivable is determined based on the Company's own calculations derived using actuarial methods.

The fair value for publicly traded shares and stock funds accounted for as fixed assets was determined using the earnings per share (EPS) method, an income approach for each share on the basis of expected annual profits estimated by independent analysts, or the higher fair market values. If earnings per share exceeded 120% of fair market value, they were capped at 120%.

When determining the fair value of bonds held via special funds that are recognised as fixed assets, the bonds were recognised at amortised cost unless there were indications of an expected permanent impairment. The creditworthiness of the issuer and the development of the ratings were used for this purpose. In the case of default securities and securities whose market value was less than 50% of the nominal value, the lower fair market value was generally applied.

For mixed funds and special funds accounted for as fixed assets, the fair value was determined separately for the individual components such as shares and bonds using the aforementioned methods. The remaining constituents of the fund were also factored into the fair value of the described fund; for example, liquid assets (nominal value), interest accruals, carrying amount of receivables and payables.

The fair value of other investments was generally determined on the basis of their open market value in accordance with section 56 of the German Regulation on the Accounting of Insurance Undertakings (RechVersV). For investments having a market or listed price (shares, or shares in investment funds, bearer bonds and other fixed income securities), the market value was defined as the market or listed price on the balance sheet date, or on the last day prior to this date for which a market or listed price could be identified. In cases in which no stock market quotations were available, yield-implied prices were used based on price formation methods established in financial markets. Investments were valued at maximum at their expected realisable value in accordance with the principle of prudence. The fair values of the special funds in the portfolio corresponded to the calculated redemption price.

The fair value of the private equity and real estate funds in the portfolio was determined based on the most recent net asset value (capital account) reported by the general partner, which was updated up to the reporting date with regard to interim calls and distributions.

Disclosures pursuant to section 52 no. 1a RechVersV
The carrying amount of owned properties used in connection with Company operations was equal to EUR 0 (0) thousand.

Disclosures pursuant to section 55(7) RechVersV
The fair values were determined on the basis of internal and external expert opinions from 2023. The fair value as at 31 December 2023 is EUR 229,841 thousand.

Investments with hidden losses (section 285 no. 18 HGB)

	Carrying amounts 31.12.2023	Market values 31.12.2023
EUR thousand		
Shares, shares in investment funds and other non-fixed interest securities	1,315,950	1,236,208
Bearer bonds and other fixed interest securities	2,506,642	2,318,614
Total	**3,822,592**	**3,554,822**

A write-down in the amount of EUR 267,770 (581,044) thousand was avoided by means of dedication as fixed assets in accordance with section 341b(2) HGB. In the opinion of the Company, the omitted write-downs are temporary impairments.

In order to assess the existence of permanent impairment with respect to bearer notes and other fixed income securities accounted for as fixed assets, credit assessments of the issuers and the development of the ratings are taken into account. In accordance with section 253 (3) sentence 5 HGB, write-downs were not recognised in the amount of these unrealised losses, as the losses were primarily interest-driven and therefore not considered to be permanent. Defaults are not expected due to the creditworthiness of the issuers.

Hedge accounting in accordance with section 254 HGB (section 285 no. 23 HGB)

Type of hedge	Hedged item	Hedging transaction	Nature of the risks	Amount of risks hedged
Section 285 no. 23a HGB Portfolio-Hedge	Foreign currency liabilities As of the balance sheet date, hedging relationships in the total amount of EUR 2,223 million were recognised and broken down to the following major currencies: US dollar EUR 1,085 million Pounds sterling EUR 355 million Swiss franc EUR 256 million Canadian dollar EUR 230 million Australian dollar EUR 203 million	Foreign currency assets	Foreign currency risk	Currency result from the hedged foreign currency liabilities; Recognition of effective changes in the value of hedged items and hedging transactions based on the application of the gross hedge presentation method in the balance sheet and income statement
Section 285 no. 23b HGB Portfolio-Hedge	Variable securities portfolio (sustained surplus in foreign currency assets)	Hedging is carried out by means of currency forwards (sale of Canadian dollars against the purchase of euros)	Foreign currency risk	Currency result from the hedged foreign currency assets; Recognition of effective changes in the value of hedged items and hedging transactions based on the application of the gross hedge presentation method in the balance sheet and income statement
Micro-Hedge	Forward foreign exchange transaction in usd	Hedging is carried out by means of currency forward (sale US dollars against euros)	Foreign currency risk	Currency result from hedged foreign currency assets; the net hedge presentation method is used to depict the effective portion of the offsetting cash flows. The ineffective portion is be recognised as a provision through profit or loss.

Disclosures pursuant to section 277(3) HGB

The write-downs on investments include write-downs of EUR 2,803 thousand (EUR 1,641 thousand) in accordance with section 277(3) sentence 1 HGB.

Shares or shares in investment funds pursuant to section 285 no. 26 HGB

Line item B. III. 1. Shares, interests or shares in investment funds and other floating rate securities includes the funds listed below in which our Company holds an interest of more than 10 %. There are no restrictions with respect to the daily surrender option.

	Balance sheet values 31.12.2023	Market values 31.12.2023	Distribution 31.12.2023
EUR thousand			
Bond funds			
EURO-RENT 3 Master	1,104,865	1,053,545	15,000
Ampega Credit Opportunities Rentenfonds I (a)	3,593	3,593	86
Subtotal Bond fund	**1,108,458**	**1,057,138**	**15,086**
Equity funds			
HDI Global SE Absolute Return	573	546	0
HDI Globale Equities	231,122	248,557	5,387
Subtotal Equity funds	**231,695**	**249,103**	**5,387**
Special investments			
Caplantic AIF, SICAV-SIF S.C.Sp. - CI I Sub-Fund 1)	329	329	0
Subtotal Special funds	**329**	**329**	**0**
Total	**1,340,482**	**1,306,569**	**20,473**

Disclosures pursuant to section 341b(2) HGB

The Company has exercised the option pursuant to section 341b(2) HGB to classify investments with a carrying amount of EUR 5,133,903 (5,127,048) thousand as fixed assets. EUR 1,604,866 (1,569,486) thousand of this amount can be attributed to shares, interests or shares in investment funds and other floating rate securities and EUR 3,529,037 (3,557,561) thousand to bearer bonds and other fixed-interest securities.

B. II. Investments in affiliated companies and long-term equity investments

Name, registered office	Share in %[1]	Currency	Equity in thousand	Result in thousand
Caplantic AIF, SICAV-SIF S.C.Sp., Luxembourg[2]	24.71	EUR	9,567	–7,964
Credit Suisse (Lux) Gas Transit Switzerland SCS, Luxembourg[3]	16.31	EUR	159,858	6,131
Credit Suisse (Lux) Wind Power Central Norway SCS, Luxembourg[4]	10.96	EUR	124,183	–69,539
Extremus Versicherungs-Aktiengesellschaft, Cologne[4]	13.00	EUR	61,746	506
Ferme Eolienne des Mignaudieres SNC, Toulouse[4]	99.99	EUR	15,521	119
Funderburk Lighthouse Limited, Grand Cayman[4]	100.00	EUR	58,764	4,464
HDI AI EUR Beteiligungs-GmbH, Cologne[4]	100.00	EUR	698,657	48,119[5]
HDI AI USD Beteiligungs-GmbH, Cologne[4]	100.00	EUR	384,298	34,654[5]
HDI Global Insurance Company, Chicago[4]	100.00	USD	271,059	44,934
HDI Global Insurance Limited Liability Company, Moscow[4]	100.00	RUB	485,721	–3,677
HDI Global Network AG, Hannover[4]	100.00	EUR	211,564	22,528[5]
HDI Global Network AG Escritório de Representaçao no Brasil Ltda, São Paulo[4]	100.00	BRL	414	34
HDI Global SA Ltd., Johannesburg[4]	100.00	ZAR	75,460	3,494
HDI Global SE - UK Services Limited, London[7]	100.00	GBP	-	-
HDI Global Seguros S.A., Mexiko City[4]	100.00	MXN	256	4
HDI Global Seguros S.A., São Paulo[4]	100.00	BRL	136,683	25,726
HDI Global Specialty Holding GmbH, Hannover[4]	100.00	EUR	367,544	0[5]
HDI Global Specialty Schadenregulierung GmbH, Hannover[4]	100.00	EUR	25	5
HDI Global Specialty SE, Hannover[4]	100.00	EUR	260,698	–14,980
HDI Reinsurance (Ireland) SE, Dublin[4]	100.00	EUR	216,734	35,105
HDI Risk Consulting GmbH, Hannover[4]	100.00	EUR	1,626	301[5]
HDI Specialty Insurance Company, Chicago[4]	100.00	USD	66,747	–1,503
HDI Versicherung AG, Vienna[4]	89.74	EUR	39,831	10,119
hector digital GmbH, Cologne[4]	19.00	EUR	31	-
Heuberg S.L., Barcelona[4]	15.00	EUR	14,932	1,799
IVEC Institutional Venture and Equity Capital GmbH, Cologne[4]	23.80	EUR	12,528	1,604
Le Souffle des Pellicornes S.N.C, Lille	100.00	EUR	15,982	967
Petro Vietnam Insurance Holdings Joint Stock Corporation, Hanoi[4]	51.08	VND	7,148,873,826	874,778,833
Riethorst Grundstücksgesellschaft AG & Co. KG, Hannover[4]	50.00	EUR	133,025	6,607
Talanx Infrastructure France 1 GmbH, Cologne[4]	100.00	EUR	41,244	30
Talanx Infrastructure Portugal GmbH, Cologne[4]	30.00	EUR	739	–4
Teko - Technisches Kontor für Versicherungen GmbH, Dusseldorf[6]	12.00	EUR	142	31
Windfarm Bellheim GmbH & Co. KG, Cologne[4]	15.00	EUR	45,508	6,440
Windpark Vier Fichten GmbH & Co. KG, Cologne[4]	100.00	EUR	5,867	1,454
WP Berngerode GmbH & Co. KG, Cologne[4]	20.00	EUR	33,583	3,911
WP Mörsdorf Nord GmbH & Co. KG, Cologne[4]	25.00	EUR	24,340	2,293
Zweite Riethorst Grundstücksgesellschaft AG & Co. KG, Hannover[7]	50.00	EUR	-	-

1) The percentage of shares held is determined as the sum of all shares held directly or indirectly.

2) Carrying amounts as at 30 September 2021

3) Carrying amounts as at 30 June 2023

4) Carrying amounts as at 31 December 2022

5) A profit-and-loss transfer agreement is in effect.

6) Carrying amounts as at 31 December 2021

7) Company was founded on 15 December 2023

C. III. Other receivables

	31.12.2023	31.12.2022
EUR thousand		
Claims payments/Co-insurance/Share of losses attributable to other companies	557,583	542,780
Receivables from affiliated companies	164,639	165,407
Receivables from tax authorities	56,916	42,875
Payments not yet assigned	41,595	38,771
Receivables due to timing differences in accounting entries	15,160	20,250
Receivables from the service business	9,565	11,618
Receivables Cash Collaterals	7,630	0
Receivables from security deposits, sureties and loan collaterals	5,554	1,987
Receivables for incidental expenses incurred in connection with real estate	2,254	2,211
Receivables from insurance pools	152	251
Miscellaneous	5,108	6,444
Total	**866,155**	**832,594**

Receivables from affiliated companies relate to receivables from HDI AI EUR Beteiligungs-GmbH in the amount of EUR 41,219 (48,119) thousand, from HDI AI USD Beteiligungs-GmbH in the amount of EUR 16.878 (34,654) thousand, from HDI Global Network AG in the amount of EUR 13,393 (22,528) thousand and HDI Risk Consulting GmbH in the amount of EUR 1,302 (301) thousand from profit transfers.

D. I. Tangible fixed assets and inventories

	2023	2022
EUR thousand		
Balance as at 01.01.	11,385	10,533
Additions	2,112	6,038
Disposals	919	2,338
Amortisation, depreciation and write-downs	2,565	2,840
Exchange rate fluctuations	15	-8
Balance as at the end of the financial year	**10,027**	**11,385**

E. I. Deferred rent and interest income

Only income from interest was accrued in the amount of EUR 61,880 (52,575) thousand.

E. II. Other prepaid expenses

Other prepaid expenses in the amount of EUR 4,769 (5,683) thousand represent administrative expenses.

Equity and liabilities

A. I. Subscribed capital

The subscribed capital in the amount of EUR 125,000 thousand is fully paid in and is divided into 125,000 registered shares of EUR 1,000 each. Talanx AG is the sole shareholder.

A. II. Capital reserves

The capital reserves are equal to EUR 284,043 thousand. The creation of a statutory reserve is not required since section 150(2) AktG ("statutory reserve fund") has already been satisfied by the creation of a capital reserve in accordance with section 272(2) no. 1 HGB.

B. Subordinated liabilities

	31.12.2023	31.12.2022
EUR thousand		
Talanx AG, Hannover	280,000	280,000
HDI Lebensversicherungs AG, Cologne	40,000	40,000
TARGO Lebensversicherung AG, Hilden	20,000	20,000
HDI Versicherung AG, Hannover	15,000	15,000
neue leben Pensionskasse AG, Hamburg	10,000	10,000
HDI Pensionskasse AG, Cologne	7,500	7,500
PB Lebensversicherung AG, Hilden	5,000	5,000
Gerling Versorgungskasse VVaG, Cologne	2,500	2,500
Gesamt	**380,000**	**380,000**

With a contract dated 2 December 2021, Talanx AG granted HDI Global SE a subordinated loan in the nominal amount of EUR 180,000 thousand maturing on 2 December 2041. All other subordinated loans were extended to HDI Global SE by the respective lender with a contractual date of 12 August 2021 maturing on 12 August 2041.

C. Total gross underwriting provisions

	31.12.2023	31.12.2022
EUR thousand		
Direct written insurance business		
Casualty insurance	269,793	245,527
Liability insurance	6,542,576	6,474,093
Motor third-party liability insurance	975,416	895,854
Other motor insurance	187,239	172,060
Fire and property insurance	1,704,504	1,628,109
of which:		
a) Fire insurance	478,480	431,661
b) Engineering insurance	1,145,637	1,092,841
c) Other property insurance	80,387	103,607
Marine and aviation insurance	719,617	637,351
Legal protection insurance	1,500,995	76,917
All-risk insurance	64,180	1,546,071
Other insurance	179,716	187,249
Total	**12,144,035**	**11,863,232**
Business accepted for reinsurance	5,322,187	4,782,276
Total insurance business	**17,466,222**	**16,645,508**

Of which:

a) Gross provision for outstanding claims: EUR 14,670,043 (14,282,194) thousand

b) Equalisation reserve and similar provisions: EUR 962,059 (803,525) thousand

C. II. 1. Gross provision for outstanding claims

	31.12.2023	31.12.2022
EUR thousand		
Direct written insurance business		
Casualty insurance	210,927	187,247
Liability insurance	6,072,377	6,007,604
Motor third-party liability insurance	932,489	862,169
Other motor insurance	100,508	77,801
Fire and property insurance	1,188,311	1,229,847
of which:		
a) Fire insurance	296,437	318,543
b) Engineering insurance	825,891	820,706
c) Other property insurance	65,982	90,598
Marine and aviation insurance	589,349	536,255
Legal protection insurance	1,218,883	73,359
All-risk insurance	60,851	1,321,362
Other insurance	161,986	172,774
Total	**10,535,682**	**10,468,418**
Business accepted for reinsurance	4,134,361	3,813,776
Total insurance business	**14,670,043**	**14,282,194**

C.III. Gross provision for profit-related and non-profit-related premium refunds

This item amounts to EUR 2,668 (8,338) thousand and, as in the previous year, relates exclusively to non-performance-related premium refunds.

C. IV. Equalisation reserve and similar provisions

	31.12.2023	31.12.2022
EUR thousand		
Direct written insurance business		
Casualty insurance	15,475	16,750
Liability insurance	116,315	159,849
Other motor insurance	64,494	79,605
Fire and property insurance	151,857	79,485
of which:		
a) Fire insurance	151,707	79,485
b) Other property insurance	150	0
Marine and aviation insurance	62,221	45,138
Total	**410,362**	**380,826**
Business accepted for reinsurance	551,697	422,698
Total insurance business	**962,059**	**803,525**

D. I. Provision for pensions and similar obligations

	2023	2022
EUR thousand		
Balance as at the start of the financial year	523,053	494,548
Change	-18,108	12,306
Accrued interest / interest rate change	7,861	16,198
Balance as at the end of the financial year	**512,805**	**523,053**

As required by the German Accounting Law Modernisation Act (BilMoG), the provision for pensions was measured at the settlement amount, taking into account salary and pension trends as well as employee turnover rates, and discounted to the balance sheet date. In Germany, the presumed trend was 3.50% (3.50%) for salary increases and 2.34% (2.34%) for pension increases. The provisions for pensions were discounted based on a presumed remaining term of 15 years using an average interest rate of 1.83% (1.79%) published by the Bundesbank on 30 September 2023 and forecasted for 31 December 2023. The discount rate applied in the measurement of pension obligations at the UK branch is 2.94% (2.89%). Pension increases were factored into the calculation at 3.10% (3.59%).

Probable staff turnover rates (%)

Age	Men	Women
20	0.0	2.7
25	16.5	12.6
30	10.7	8.3
35	6.8	5.6
40	6.4	5.3
45	5.6	4.6
50	3.6	3.5
55	2.7	3.2
60 or older	0.0	0.0

The settlement amount for the employer-funded provision for pensions as at 31 December 2023 was EUR 557,290 (567,385) thousand. The fund held to cover this amount was accounted for at fair value of EUR 45,866 (45,765) thousand in accordance with section 253(1) sentence 4 HGB. The cost of the fund converted based on the exchange rate prevailing on the reporting date was EUR 48,949 (46,443) thousand.

The settlement amount for the employee-funded provision for pensions was EUR 4,562 (5,109) thousand. Nettable plan assets totalling EUR 3,253 (3,755) thousand represent pension liability insurance claims offset in the amount of EUR 3,253 (3,676) thousand with the obligations. The amortised cost determined according to the lower of cost or market principle and thus the fair value within the meaning of section 255(4) sentence 3 HGB is equal to the so-called actuarial reserves of the insurance agreement plus excess.

Income from plan assets for pension obligations in the amount of EUR 1,078 thousand was netted with expenses from the unwinding of the discount on provisions for pension obligations in the amount of EUR 137 thousand in the reporting period.

The difference in accordance with section 253(6) sentence 1 amounts to EUR 2,661 thousand. In order to calculate the difference, the commitment discounted at the average interest rate of the past ten years and recognised was compared to the amount that would have resulted if it had been discounted at the average interest rate of the past seven years.

D. III. Other provisions

EUR thousand	31.12.2023	31.12.2022
Remuneration payable	34,065	32,256
Consulting costs	27,890	15,432
Vacation claims and credit balances in flextime accounts	6,357	5,643
Administrative expenses of foreign branch offices	5,252	3,839
Costs for the preparation of the annual financial statements	2,896	4,302
Litigation expenses	875	1,013
Outstanding invoices for building-related expenses	288	196
Provisions for costs	219	360
Miscellaneous	7,460	8,909
Total	**85,301**	**71,949**

F. IV. Other liabilities

	Term < 1 year 31.12.2023	Term < 1 year 31.12.2022	Term > 1 year 31.12.2023	Term > 1 year 31.12.2022	Total 31.12.2023	Total 31.12.2022
EUR thousand						
Liabilities from non-group lead business	483,007	464,371	–	–	483,007	464,371
Liabilities to affiliated companies	302,917	262,274	–	–	302,917	262,274
Liabilities not yet attributed	61,722	37,289	–	–	61,722	37,289
Liabilities due to tax authorities	75,656	57,701	–	–	75,656	57,701
Trade payables	3,076	2,938	–	9	3,076	2,947
Liabilities to social security institutions	1,991	1,685	–	–	1,991	1,685
Liabilities from the investing activities based on claim payments	59	0	–	–	59	0
Miscellaneous	15,898	10,988	–	–	15,898	10,988
Total	**944,326**	**837,245**	**0**	**9**	**944,326**	**837,254**

The increase in other liabilities to affiliated companies by EUR 40,643 thousand to EUR 302,917 (262,274) thousand can be attributed primarily to an increase in liabilities from activities as the leading insurer in co-insurance (increase of EUR 36,585 thousand to EUR 115,658 thousand.

Other liabilities do not include any liabilities with a remaining term to maturity of more than five years.

G. Deferred income

Deferred income items in the amount of EUR 1,696 (3,524) thousand relate in the amount of EUR 1,492 (3,157) thousand to commissions of the leading insurer collected for the subsequent year.

Income statement

I. 1. a) Gross written premiums

EUR thousand	2023	2022
Direct written insurance business		
Casualty insurance	73,324	72,135
Liability insurance	1,476,802	1,350,531
Motor third-party liability insurance	283,678	253,847
Other motor insurance	160,547	132,351
Fire and property insurance	743,525	667,654
of which:		
a) Fire insurance	211,135	195,382
b) Engineering insurance	455,633	401,809
c) Other property insurance	76,757	70,463
Marine and aviation insurance	475,023	367,493
All-risk insurance	943,656	799,854
Legal protection insurance	24,621	24,716
Other insurance	97,978	97,563
Total	**4,279,152**	**3,766,143**
Business accepted for reinsurance	2,211,281	2,030,244
Total insurance business	**6,490,433**	**5,796,388**

Origin of gross written premiums for the direct written insurance business

EUR thousand	2023	2022
In Germany	1,799,029	1,624,153
Other member states of the European Community as well as other treaty states of the Agreement Creating the European Economic Area	1,455,999	1,267,817
Third countries	1,024,123	874,174
Total	**4,279,152**	**3,766,144**

I. 1. Gross premiums earned

EUR thousand	2023	2022
Direct written insurance business		
Casualty insurance	72,507	68,265
Liability insurance	1,428,000	1,324,965
Motor third-party liability insurance	274,163	250,349
Other motor insurance	153,888	131,526
Fire and property insurance	693,428	631,257
of which:		
a) Fire insurance	214,299	194,475
b) Engineering insurance	403,615	367,759
c) Other property insurance	75,514	69,023
Marine and aviation insurance	462,409	353,798
All-risk insurance	885,329	754,480
Legal protection insurance	24,849	24,676
Other insurance	95,293	96,167
Total	**4,089,868**	**3,635,483**
Business accepted for reinsurance	2,107,914	1,950,296
Total insurance business	**6,197,782**	**5,585,779**

I. 1. Net premiums earned

EUR thousand	2023	2022
Direct written insurance business		
Casualty insurance	61,985	58,158
Liability insurance	609,313	613,117
Motor third-party liability insurance	205,493	189,251
Other motor insurance	128,194	108,132
Fire and property insurance	285,973	269,866
of which:		
a) Fire insurance	90,502	84,020
b) Engineering insurance	162,857	155,676
c) Other property insurance	32,614	30,169
Marine and aviation insurance	107,931	82,618
All-risk insurance	211,752	181,434
Legal protection insurance	268	146
Other insurance	39,946	34,852
Total	**1,650,854**	**1,537,574**
Business accepted for reinsurance	601,115	682,752
Total insurance business	**2,251,969**	**2,220,326**

I. 2. Underwriting interest income for own account

In the direct written gross insurance business, underwriting interest income was calculated on the annuity claims provision by multiplying the previous year’s annuity provisions by the associated actuarial interest rate of 0.2% (0.2%).

I. 4. Gross expenses for insurance claims

	2023	**2022**
EUR thousand		
Direct written insurance business		
Casualty insurance	57,945	36,693
Liability insurance	788,480	1,189,013
Motor third-party liability insurance	230,370	205,268
Other motor insurance	134,369	101,845
Fire and property insurance	288,987	411,272
of which:		
a) Fire insurance	88,585	82,556
b) Engineering insurance	196,394	306,179
c) Other property insurance	4,007	22,537
Marine and aviation insurance	268,853	218,589
All-risk insurance	392,264	698,636
Legal protection insurance	-1,678	12,156
Other insurance	34,878	68,341
Total	**2,194,467**	**2,941,813**
Business accepted for reinsurance	1,167,112	1,047,275
Total insurance business	**3,361,579**	**3,989,088**

I. 7. a) Gross expenses for insurance operations

	2023	**2022**
EUR thousand		
Direct written insurance business		
Casualty insurance	19,676	19,685
Liability insurance	218,538	195,031
Motor third-party liability insurance	41,188	39,196
Other motor insurance	26,753	25,070
Fire and property insurance	129,455	118,598
of which:		
a) Fire insurance	36,574	34,595
b) Engineering insurance	82,635	74,076
c) Other property insurance	10,247	9,927
Marine and aviation insurance	84,414	73,197
All-risk insurance	112,765	88,927
Legal protection insurance	5,051	4,899
Other insurance	21,193	21,883
Total	**659,034**	**586,486**
Business accepted for reinsurance	405,075	363,382
Total insurance business	**1,064,109**	**949,868**

Of the gross expenses for insurance operations for the financial year, EUR 140,081 (127,754) thousand are attributable to acquisition expenses and EUR 924,028 (822,114) thousand are attributable to general and administrative expenses.

Reinsurance balance

	2023	2022
EUR thousand		
Direct written insurance business		
Casualty insurance	3,740	-6,415
Liability insurance	-483,586	62,992
Motor third-party liability insurance	5,757	-7,787
Other motor insurance	-17,403	-5,715
Fire and property insurance	-148,822	-53,564
of which:		
a) Fire insurance	-48,267	-73,707
b) Engineering insurance	-72,876	40,580
c) Other property insurance	-27,680	-20,437
Marine and aviation insurance	-45,666	-56,065
All-risk insurance	-337,965	24,839
Legal protection insurance	-25,568	-8,114
Other insurance	-22,440	-15,351
Total	**-1,071,953**	**-65,178**
Business accepted for reinsurance	-382,100	-535,958
Total insurance business	**-1,454,054**	**-601,136**

– = in favour of the reinsurers

The reinsurance balance is calculated as the reinsurers' earned premiums and the reinsurers' share of gross expenses for insurance claims and gross expenses for insurance operations.

The balance for the reinsurance business includes a total amount of EUR 90 (120) million for non-cash reinstatement premiums. This breaks down into EUR 71 (100) million for the direct written insurance business and EUR 19 (20) million for the business accepted for reinsurance.

I. 11. Underwriting result for own account

EUR thousand	2023	2022
Direct written insurance business		
Casualty insurance	-510	-1,721
Liability insurance	-20,980	660
Motor third-party liability insurance	10,677	729
Other motor insurance	-10,258	-2,229
Fire and property insurance	44,244	40,141
of which:		
a) Fire insurance	-37,350	-1,414
b) Engineering insurance	48,339	25,488
c) Other property insurance	33,255	16,067
Marine and aviation insurance	37,690	57,069
All-risk insurance	32,988	-8,303
Legal protection insurance	-4,094	-492
Other insurance	16,579	-8,314
Total	**106,335**	**77,539**
Business accepted for reinsurance	30,813	-26,751
Total insurance business	**137,148**	**50,788**

Run-off result for own account

In the financial year, HDI Global SE realised a run-off profit for own account in the amount of EUR 310,675 (360,625) thousand. The information on the run-off results for the individual lines of business are discussed in the management report under Results of operations.

Commissions and other compensation for insurance agents, personnel expense

EUR thousand	2023	2022
Commissions of any kind for insurance agents within the meaning of section 92 HGB for direct written insurance business	327,056	287,689
Wages and salaries	138,381	137,663
Social insurance contributions and expenses for benefits	20,336	20,953
Expenses for retirement benefits	22,664	24,702
Total expenses	**508,437**	**471,007**

Number of insurance contracts with a minimum term of one year

	2023	2022
Number		
Direct written insurance business		
Casualty insurance	17,631	17,022
Liability insurance	55,796	57,265
Motor insurance	599,786	557,551
Fire and property insurance	41,850	32,003
of which:		
a) Fire insurance	9,754	7,109
b) Engineering insurance	26,953	15,277
c) Other property insurance	5,143	9,617
Marine and aviation insurance	21,927	19,626
All-risk insurance	16,739	13,715
Legal protection insurance	7,095	6,585
Other insurance	7,981	8,403
Total	**768,805**	**712,170**

II. 4. Other income

	2023	2022
EUR thousand		
Income from services rendered	45.356	43.756
Currency exchange gains	11.703	7.530
Income from reversal of specific and global valuation allowances	9.767	4.369
Interest and similar income	7.767	3.438
Miscellaneous	4.122	1.979
Income from the derecognition of liabilities	2.023	5.066
Income from the reversal of other provisions	535	14.565
Income from the sale of renewal rights	–	5.355
Total	**81.274**	**86.058**

II. 5. Other expenses

	2023	2022
EUR thousand		
Other expenses for the Company as a whole	82,226	76,536
Write-downs of receivables	36,782	9,045
Expenses for services	33,325	32,654
Interest expense	21,416	29,688
Currency exchange losses	13,269	20,356
Additions to the interest portion of the provision for pensions	8,379	16,058
Miscellaneous	6,001	6,629
Total	**201,398**	**190,966**

Interest expenses include expenses for the unwinding of the discount in the amount of EUR 692 (4,530) thousand.

As a general rule, the expense of changes in interest rates related to pension obligations is shown under other expenses in compliance with IDW AcP AAB 30 para. 87 in order to facilitate greater transparency in the presentation of the costs of the ongoing insurance business in contrast with capital market and regulatory influences on the existing pension obligation.

II. 9. Taxes on income

Taxes on income amount to EUR 50,706 (55,593) thousand. These are essentially the actual taxes for the financial year of the foreign branches in the amount of EUR 51,125 thousand. The expense from German taxes on income amounted to EUR 418 thousand and relates primarily to deductible withholding tax.

II. 10. Other taxes

The line item Other taxes relates in the amount of EUR 6,820 thousand to expenses on the part of the foreign branches and in the amount of EUR 21,685 thousand to German expenses from other taxes (of which EUR 514 thousand can be attributed to property taxes and EUR 23,453 thousand to insurance and fire protection taxes), resulting in an expense from other taxes in the amount of EUR 28,505 thousand.

Other disclosures

Employees

	2023	2022
Number (average)		
Full-time employees*	1,008	1,297
Part-time employees*	125	202
Total	**1,133**	**1,499**

** German employees transferred to HDI AG as of March 1, 2022*

Employee share programme

In November 2023, the parent company Talanx AG launched an employee share programme under which the employees of HDI Global SE were each offered various options under which a maximum of 30, 120 or 480 shares could be subscribed. The shares were issued to the employees in December. The exercise price was based on the lowest daily price on the Frankfurt, Hannover and XETRA stock exchanges on 22 November 2023, less a discount of 15, 7.50 or 3 euros per share depending on the chosen option, and amounted to EUR 49.95, EUR 57.45 or EUR 61.95. A total of 42,701 shares were acquired. The transaction resulted in personnel expenses of EUR 445 thousand. The shares issued are subject to a vesting period ending on 30 November 2024.

Governing bodies of the Company

Supervisory Board

Member	Seats on other supervisory boards/oversight committees
Torsten Leue Chairman Hannover	Chairman of the Board of Management of Talanx AG Chairman of the Board of Management of HDI Haftpflichtverband der Deutschen Industrie V. a. G.
Ulrich Wallin Chairman Hannover former Chairman of the Board of Management of Hannover Rück SE	
Dr. Joachim Brenk Lübeck	Chairman of the Executive Board of L. Possehl & Co. mbH
Dr. Michael Ollmann Hamburg Management Consultant	
Harald Rauw* Büllingen (Belgium) Director Property HDI Global SE Belgium branch office	
Stylianos Vasilopoulos* Athens (Greece) Underwriting Manager Transport HDI Global SE Greece branch office	

**Employee representative*

Board of Management

Member	Executive responsibilities	Seats on other supervisory boards/ oversight committees
Dr. Edgar Puls Vorsitzender	• Duties of the Chairman as stipulated under the rules of procedure for the Board of Management • Revision • Personal • Unternehmensentwicklung • Region Deutschland	• Member of the Board of Management of HDI Haftpflichtverband der Deutschen Industrie V. a. G. • Member of the Board of Management of Talanx AG
Ralph Beutter	• Specialty Business • Aviation insurance • Legal protection insurance • Communications • Coordination of passive reinsurance	
Dr. Mukadder Erdönmez	• Liability insurance • Cyber insurance • Motor insurance	
Dr. Christian Hermelingmeier	• Accounting • Premium Collections • Investment Management • Controlling • Risk Management • HDI Reinsurance (Ireland) • Actuarial Function • Money Laundering Prevention • Compliance	
David Hullin	• Region Europa (ohne Deutschland) • Region Amerika • Region East • Global Marketing & Distribution	
Dr. Thomas Kuhnt	• IT • Guidance/Technical Pricing • Operations • HDI Global Network • International programmes • Group casualty insurance • Strategic investment	
Claire McDonald	• Property insurance (fire insurance and engineering insurance) • Marine insurance • Risk Engineering	

Remuneration for the members of governing bodies and advisory boards

Remuneration for the members of the Board of Management totalled EUR 7,368 (7,853) thousand. Total remuneration for the Supervisory Board was equal to EUR 78 (72) thousand and remuneration for the Advisory Board totalled EUR 475 (478) thousand. The remuneration of former Board of Management members and their survivors totalled EUR 5,679 (6,834) thousand. A total of EUR 70,949 (70,433) thousand was recognised for pension liabilities due to former Management Board members and their survivors.

Under the share-based remuneration system introduced in 2011, the Board of Management was allocated 64,977 (69,710) virtual shares with a fair value of EUR 2,812 (2,740) thousand in the reporting period.

Important agreements

A control and profit and loss transfer agreement is in effect with Talanx AG as the controlling company (parent entity). In addition, there are control and profit and loss transfer agreements between HDI Global SE as the controlling company and HDI Risk Consulting GmbH, HDI Global Network AG, HDI Global Specialty Holding GmbH, HDI AI EUR Beteiligungs-GmbH and HDI AI USD Beteiligungs-GmbH, each as the controlled company.

Shareholdings in the Company

The sole shareholder of HDI Global SE is Talanx AG, which holds 100% of the share capital. Talanx AG has notified the Company that it holds a direct majority interest in HDI Global SE, Hannover (notice pursuant to section 20(4) AktG) and that it holds more than one fourth of the shares of HDI Global SE directly at the same time (notice pursuant to section 20(1) and (3) AktG).

Credit lines granted

The subsidiary HDI Global Network AG was extended a credit line under a loan agreement in the amount of CAD 460,000 thousand with a term ending on 1 October 2024. HDI Global Network AG had drawn down a loan of CAD 225,500 thousand from this amount as at the balance sheet date.

Contingencies and other financial obligations

HDI Global SE is a member of Verkehrsopferhilfe e.V., Hamburg. As a result of this membership, it is obligated to contribute to the potential payments made by the association as well as its general and administrative expenses in line with our pro-rata share of the premium income generated by the members of the association in direct written motor liability insurance in the next to last calendar year.

As a member of the Pharma-Rückversicherungs-Gemeinschaft, HDI Global SE is required to assume a pro-rata share of the outstanding obligations in the event that any of the remaining members becomes insolvent. The same obligation exists under a contractual agreement with the Deutsche Kernreaktor-Versicherungsgemeinschaft as regards a default of one of the association members.

HDI Global SE set up a trust account that showed a current balance of EUR 154,696 (294,569) thousand as at the balance sheet date in order to provide collateral for underwriting liabilities to HDI Global Insurance Company. The carrying amount of the collateral deposited in this trust account in the form of securities and cash amounted to EUR 167,727 (329,374) thousand as at the balance sheet date. In addition, there are further assets with a carrying amount of EUR 257,567 (237,087) thousand that are pledged, transferred as collateral or deposited, resulting in a total value of EUR 425,294 (566,461) thousand.

Talanx AG, Hannover, assumed the fulfilment of the Company's obligations for old age pensions from former employees for internal and external arrangements. Under this pension commitment, the Company has a joint liability in an amount totalling EUR 59,574 (60,291) thousand as at the end of the financial year.

The shortfall due to pension obligations within the meaning of Article 28(1) EGHGB that is not recognised on the balance sheet is equal to EUR 2,064 (2,131) thousand.

As the sponsoring undertaking for Gerling Versorgungskasse VVaG, the Company is proportionately liable for any deficits at Gerling Versorgungskasse.

Other financial obligations amounting to EUR 3,585 (5,383) thousand consist primarily of guarantee credits and bank guarantees. Letters of credit in effect with various banks total EUR 958,931 (823,462) thousand. In addition, there are obligations under fixed liability guarantees in the amount of EUR 68,000 (68,000) thousand.

The Company's Board of Management views the probability that obligations arising from the above contingent liabilities will result in actual claims and payments to be low.

The total amount of other financial obligations and contingent liabilities was EUR 1,517,448 (1,658,410) thousand.

Capital contribution commitments vis-à-vis contracting parties

	31.12.2023	**31.12.2022**
EUR thousand		
HDI AI EUR Beteiligungs-GmbH	75,881	75,881
OXG Glasfaser GmbH - Trinity	19,486	0
HDI AI USD Beteiligungs-GmbH	11,052	11,442
Bridgepoint Credit Opp. IV Feeder EUR SCSp	5,777	0
Bridgepoint Direct Lending III unlevered SCSp	5,391	7,214
Bridgepoint Credit Opportunities II LP	4,516	4,516
Ares Senior Direct Lending Parallel Fund (U) LP	2,933	3,036
Muzinich Pan-European Private Debt II, SCSp	2,486	4,547
AG DLI III Offshore Unlevered LP	2,375	2,459
Ares Capital Europe IV (E) Unlevered	2,150	2,008
CVC Credit Partners EU DL II Co-Invest Feeder SCSp	1,881	1,806
Arcmont Senior Loan Fund I (A) SLP	1,879	1,991
Monroe Capital SCSp SICAV-RAIF- Priv Credit F III	1,357	2,075
Barings European Private Loan Fund II	1,243	1,334
UBS Clean Energy Infrastructure Switzerland 2 KmGK	1,224	3,464
Crown European Private Debt II SCSp	1,180	1,500
Five Arrows Direct Lending SCSp	1,072	1,870
Muzinich Pan-European Private Debt I SCSp	879	933
BlackRock European Middle Market Debt II SCSp	456	1,199
Ares Capital Europe II (E) LP	0	1,409
Total	**143,219**	**128,684**

For HDI Global SE, there are other financial obligations from outstanding capital contribution commitments in the amount of EUR 143,219 thousand resulting from an investment programme with a total subscription volume of EUR 680,514 thousand.

This includes outstanding residual capital contribution commitments in the amount of EUR 86,934 thousand to affiliated and associated companies from a subscription volume of EUR 560,000 thousand.

Related party disclosures

The Company is engaged in extensive reinsurance agreements with companies in the Talanx Group. Appropriate considerations are paid and received for all reinsurance coverage as well as any and all services that are received and/or rendered in connection with this protection. To that extent, this business has no effect on the net assets or results of operations when compared to the use and rendering of the described services by or for companies that are not related parties.

In the year under review, there were no non-arm's length transactions with related parties that were relevant to an assessment of the financial position or results of operations.

Total audit fees

The fee for the independent auditor – broken down into expenses for audit service, for other certification services, and for other services – are included in the consolidated financial statements of HDI Haftpflichtverband der Deutschen Industrie V.a.G. and Talanx AG on a pro-rata basis.

The independent auditor audited the annual financial statements, including the management report and the reporting package prepared in accordance with International Financial Reporting Standards (IFRS) for the year ended 31 December 2023. The quarterly reporting packages prepared in accordance with IFRS have been reviewed for the quarterly financial statements for the three-month periods ended 30 June 2023, 30 September 2023 and 31 December 2023. In addition, the solvency statement for the year ended 31 December 2023 was audited. Furthermore, assurance engagements were performed in the reporting period based on the International Standard on Assurance Engagements 3000 (ISAE 3000). Moreover, agreed-upon procedures were performed in the reporting period based on the International Standard on Assurance Engagements 4400 (ISAE 4400).

Consolidated financial statements

The Company is a group company of the HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit, Hannover and of Talanx AG, Hannover. HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit (the parent company of the HDI Group) prepares consolidated financial statements (for the largest group of companies) according to section 341i HGB in conjunction with section 290 HGB that includes the Company within the basis of consolidation. Talanx AG as the parent company of the Talanx Group is further required to prepare consolidated financial statements (for the smallest group of companies) pursuant to section 341i HGB in conjunction with section 290 HGB, which are prepared – as provided for in section 315e(1) HGB – on the basis of the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) in accordance with article 4 of Regulation (EC) No. 1606/2002. The consolidated financial statements are published in the German Federal Gazette (Bundesanzeiger). The inclusion of HDI Global SE in the consolidated financial statements of HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit and Talanx AG exempts the Company in accordance with section 291(1) HGB from preparing its own consolidated financial statements.

Introduction of global minimum taxation

Owing to its membership in the HDI V.a.G. Group, HDI Global SE falls within the scope of the minimum tax rules applicable beginning 30 December 2023. However, these provisions did not result in any actual income tax, as the legislation had not yet come into force in the reporting period. The Company applies the exemption granted under section 274(3) no. 1 HGB for the accounting treatment of deferred tax assets and liabilities.

The Group parent HDI V.a.G. is currently in the process of assessing the effect of the Minimum Taxation Directive Implementation Act (MinBestRL-UmsG) once the legislation comes into force. The initial assessment showed that an effective tax rate of more than 15% is expected for the German tax jurisdiction, based on which it is currently assumed that no additional tax will be incurred at the Company level as a result of the Minimum Tax Act (MinStG).

Report on post-balance sheet date events

There were no known significant events after the closing of the financial year that might have a material effect on the net assets, financial position and results of operations of the Company.

Hannover, 22 February 2024

The Board of Management

Dr. Edgar Puls

Ralph Beutter	Dr. Mukadder Erdönmez	Dr. Christian Hermelingmeier
David Hullin	Dr. Thomas Kuhnt	Claire McDonald

INDEPENDENT AUDITOR’S REPORT

To HDI Global SE, Hannover

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions
We have audited the annual financial statements of HDI Global SE, Hannover, which comprise the balance sheet as at December 31, 2023 and the statement of profit and loss from January 1, 2023 to December 31, 2023 for the financial year from January 1 to December 31, 2023 and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of HDI Global SE for the financial year from January 1 to December 31, 2023. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2023 and of its financial performance for the financial year from January 1 to December 31, 2023 in compliance with German Legally Required Accounting Principles and

- the accompanying management report as a whole provides an appropriate view of the Company’s position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions
We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report” section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

❶ Measurement of investments

❷ Measurement of shares in affiliated companies

❸ Measurement of the provision for outstanding claims (“loss reserves”)

Our presentation of these key audit matters has been structured in each case as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matters:

❶ Measurement of investments

① In the company’s annual financial statements, investments (excluding shares in affiliated companies, participating interests and deposits retained on assumed reinsurance business) are recognised in the balance sheet in the amount of € 7,343.0 million (58.1% of the balance sheet total). The commercial-law valuation of the individual investments is based on the acquisition costs and the lower fair value. In accordance with Section 341b (2) sentence 1 HGB, certain investments of insurance companies that are intended to serve the business on a permanent basis may be valued in accordance with the provisions applicable to fixed assets. In this case, unscheduled write-downs to the lower fair value are only made if the impairment invalue is expected to be permanent (mitigated lower of cost or market principle) and only temporary impairments are carried forward as hidden charges in subsequent years. A designation as permanently serving the business operations presupposes an intention andability to hold these investments on a permanent basis. To determine the fair value, the market price of the respective investment is used, if available. For investments that are not measured on the basis of stock exchange prices or other market prices (e.g. registered bonds, promissory notes and loans as well as real estate), there is an elevated measurement risk due to the necessity of using model calculations. In this context judgements, estimates and assumptions are to be made by the management, also with regard to the effects of the increased interest rates. Minor changes in these assumptions as well as in the methods applied can have a significant effect on the measurement of the investments. The measurement of the investments was particularly important during our audit due to the material importance of the investments for the Company’s net assets and results of operations as well as the judgements on the part of management and the associated estimation uncertainties.

② Considering the importance of the investments for the Company’s business as a whole, we assessed, together with our internal investment specialists, the models used by the Company and assumptions made by the management during our audit, based, among other things, on our valuation expertise for investments, our industry knowledge and our industry experience. We also assessed the structure and effectiveness of the controls set up by the Company for the valuation of the investments and recognition of the result from investments. Building on this, we conducted further analytical audit procedures and tests of detail with respect to the valuation of the investments. In this context, we also assessed the management's assessment of the impact of higher interest rates on the valuation of the investments. Among other things, we also closely examined the underlying carrying amounts and their recoverability using the records provided and reviewed the consistent application of valuation methods and proper accral of the investments. In addition, we assessed the valuation reports obtained by the Company (including the applied valuation parameters and assumptions made) for the Company's key properties. Based on our audit procedures, we were satisfied that the estimates and assumptions made by the management regarding the valuation of investments are justified and sufficiently documented.

③ The company's disclosures on investments are contained in the "Accounting policies" and "Assets" sections of the notes.

❷ Measurement of shares in affiliated companies

① Shares in affiliated companies are stated in the Company's annual financial statements under the balance sheet item Investments in the amount of € 2,340.9 million (18.5 % of total assets). Shares in affiliated companies are measured in accordance with commercial law at the lower of cost or fair value. The fair values of the material shares in affiliated companies are determined as the present value of the expected future cash flow's arising from the planning figures prepared by Company's executive directors using an income capitalisation approach (Ertragswertverfahren). Expectations relating to future market developments and assumptions about the development of macroeconomic factors as well as possible effects of interest rate developments on the business activities of the affiliated companies are also taken into account. The discounting is carried out using the individually determined capital costs of each investment. On the basis of the values determined and supplementary documentation, it was not necessary to recognise any impairments. The result of this measurement depends to a large degree on how the executive directors estimate the future cash flows as well as on the discount rates and growth rates applied in each case. Therefore the measurement is fraught with significant uncertainties, also in light of the effects of the macroeconomic environment. Against this backdrop and due to the high complexity of the measurement and the material importance for the Company's net assets and results of operations, this matter was of special importance during our audit.

② As part of our audit, we retraced the methodical process of measurement, among other things. In particular, we assessed whether the fair values of the material shares in affiliated companies were determined properly using an income capitalisation approach and taking into account the relevant valuation standards. In doing so we relied, among other things, on a reconciliation with general and industry-specific market expectations as well as on extensive explanations provided by the executive directors regarding the key value drivers underlyingthe expected cash flows. We also evaluated the assessment of the executive directorsregarding the effects of the macroeconomic environment on the business activities of the affiliated companies and examined how they were taken into account in determining the future cash flows. With the awareness that even relatively minor changes in the applied discount rate can have significant effects on the enterprise value determined in this manner, we closely examined the parameters used when determining the applied discount rates and retraced the calculation scheme. The measurement parameters and underlying assumptions regarding measurement applied by the executive directors are, in consideration of the available information, in our view suitable on the whole for carrying out the measurement of the shares in affiliated companies.

③ The Company's disclosures relating to the financial investment are contained in sections entitled "Accounting policies" and "Assets" of the notes to the financial statements.

❸ Measurement of the provision for outstanding claims (“loss reserves”)

① In the Company’s annual financial statements, provision for outstanding claims (“loss reserves”) are reported in the gross amount of € 14,670.0 million under the balance sheet item Provision for outstanding claims. Insurance companies are to recognise underwriting provisions insofar as they are necessary based on prudent business judgement in order to ensure the permanent ability to satisfy obligations under insurance contracts. In addition to taking the requirements under German GAAP and regulatory requirements into account, the determination of assumptions in order to measure the underwriting provisions requires an estimation of future events and the application of appropriate valuation methods. This also includes the expected imact of increased inflation rates on the determination of loss reserves in the affected lines of business. Judgements and assumptions made by the management are based on the methods applied to determine the amount of the provision for outstanding claims as well as the calculation parameters. Minor changes in these assumptions as well as in the methods applied can have a significant effect on the measurement of the provision for outstanding claims. The measurement of the provision for outstanding claims was particularly important during our audit due to the material importance of these provisions for the Company’s net assets and results of operations as well as the management’s significant (accounting) judgements and the associated estimation uncertainties.

② Considering the importance of the provision for outstanding claims for the Company’s business as a whole, we assessed the methods used by the Company and the assumptions made by the management during our audit together with our internal valuation specialists, based, among other things, on our industry knowledge and our industry experience as well as on generally accepted methods. We also assessed the structure and effectiveness of the controls set up by the Company for the determination and recognition of the provision for outstanding claims. Building on this, we conducted further analytical audit procedures and tests of detail with respect to the measurement of the provision for outstanding claims. Among other things, we also reconciled the data underlying the calculation of the settlement amount with the base documents. Accordingly, we closely examined the results calculated by the Company regarding the amount of the provisions on the basis of the applied statutory requirements and reviewed the consistent application of the measurement methods and the proper accrual of the provisions. In this context, we also assessed the management’s assessment regarding the impact of increased inflatioon rates on the affected lines of business. Based on our audit procedures, we were satisfied that the estimates and assumptions made by the management regarding the measurement of the provision for outstanding claims are justified and sufficiently documented.

③ The Company’s disclosures regarding its provision for outstanding claims are contained in the Notes to the financial statements in the sections entitled “Accounting policies” and “Equity and liabilities”.

Other Information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f Abs. 4 HGB (disclosures on the quota for women on executive boards) as an unaudited part of the management report.

The other information comprises further all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited annual financial statements, the audited management report and our auditor’s report.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further Information pursuant to Article 10 of the EU Audit Regulation
We were elected as auditor by the annual general meeting on March 3, 2023. We were engaged by the supervisory board on August 15, 2023. We have been the auditor of the HDI Global SE, Hannover, without interruption since the financial year 2018.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Martin Eibl.

Hanover, March 6, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

(sgd. Martin Eibl)
Wirtschaftsprüfer
[German public auditor]

(sgd. [ppa.] Nils Borchers)
Wirtschaftsprüfer
[German public auditor]

Contact information

HDI Global SE
HDI-Platz 1
30659 Hannover
Germany
Telephone: +49 511 645-0
Fax: +49 511 645-4545
www.hdi.global
www.talanx.com

Group Communications
Telephone: +49 511 3747-2022
Fax: +49 511 3747-2025
E-mail gc@talanx.com

This is a translation of the original German text; the German version takes precedence in case of any discrepancies in the translation.
The German version is avaliable on www.bundesanzeiger.de.

Konzernstruktur
Group structure

talanx.

Talanx AG

Geschäftsbereich Industrieversicherung
Industrial Lines Division

- HDI Global SE
  - HDI Global Specialty SE
  - HDI Versicherung AG (Austria)
  - HDI Global Seguros S.A. (Brazil)
  - HDI Global Seguros S.A. (Mexico)
  - HDI Global SA Ltd. (South Africa)
  - HDI Global Insurance Company (USA)
  - HDI Global Network AG
  - HDI Reinsurance (Ireland) SE

Geschäftsbereich Privat- und Firmenversicherung Deutschland
Retail Germany Division

Schaden/Unfallversicherung
Property/Casualty Insurance

Lebensversicherung
Life Insurance

- HDI Deutschland AG
  - HDI Versicherung AG
  - Lifestyle Protection AG
  - LPV Versicherung AG
  - neue leben Unfallversicherung AG
  - TARGO Versicherung AG
  - HDI Lebensversicherung AG
  - HDI Pensionsfonds AG
  - HDI Pensionskasse AG
  - HDI Pensionsmanagement AG
  - Lifestyle Protection Lebensversicherung AG
  - LPV Lebensversicherung AG
  - neue leben Lebensversicherung AG
  - TARGO Lebensversicherung AG

Geschäftsbereich Privat- und Firmenversicherung International
Retail International Division

- HDI International AG
  - HDI Seguros S.A. (Argentina)
  - HDI Seguros S.A. (Brazil)
  - HDI Seguros S.A. (Chile)
  - HDI Seguros S.A. (Colombia)
  - HDI Seguros S.A. de C.V. (Mexico)
  - HDI Seguros S.A. (Uruguay)
  - TUiR WARTA S.A. (Poland)
  - TU na Życie WARTA S.A. (Poland)
  - TU na Życie Europa S.A. (Poland)
  - TU Europa S.A. (Poland)
  - HDI Assicurazioni S.p.A. (Italy)
  - HDI Sigorta A.Ş. (Türkiye)

Geschäftsbereich Rückversicherung
Reinsurance Division

Schaden-Rückversicherung
Property/Casualty Reinsurance

Personen-Rückversicherung
Life/Health Reinsurance

- Hannover Rück SE
  - E+S Rückversicherung AG
  - Argenta Holdings Limited
  - Hannover ReTakaful B.S.C. (c) (Bahrain)
  - Hannover Re (Bermuda) Ltd.
  - Hannover Life Re of Australasia Ltd
  - Hannover Re (Ireland) DAC
  - Hannover Re South Africa Limited
  - Hannover Life Reassurance Company of America

Konzernfunktionen
Corporate Operations

- HDI AG
  - Ampega Asset Management GmbH
  - Ampega Investment GmbH
  - Talanx Reinsurance Broker GmbH

Nur die wesentlichen Beteiligungen
Main participations only

Stand / As at: 31.12.2023

HDI Global SE
HDI-Platz 1
30659 Hannover
Germany
Telephone: +49 511 645-0
Fax: +49 511 645-4545
www.hdi.global
www.talanx.com