Årsregnskap for regnskapsåret 2024

Organisasjonsnr:	992 055 049
Navn/foretaksnavn:	HDI GLOBAL SE FILIAL NORGE NUF
Forretningsadresse:	Rådhusgata 27
	0158 OSLO

Brønnøysundregistrene
12.08.2025

Brønnøysundregistrene – Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2024

2025 200255
2025 200244

HDI GLOBAL SE FILIAL NORGE NUF
c/o Assuranceforeningen Skuld
Postboks 1376 Vika
0114 OSLO

Organisasjonsnr.
992 055 049

NUF

Registrerte opplysninger per 08.08.2025		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2024	Avslutningsdato 31.12.2024	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold ☐ Morselskap	☐ Ikke morselskap

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres ☐ Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører ☐ Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet ☐ Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet ☐ **Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret**

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av ☐ **IFRS selskap** ☐ **IFRS konsern**

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av ☐ **Funksjon selskap** ☐ **Funksjon konsern**

Følges regnskapsreglene for små foretak? ☐ **Ja** ☒ **Nei**

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den **Dato**

Sted/dato, Underskrift av representant for enheten

ok
Emot

Bare til bruk for Regnskapsregisteret KF Nut utla

G ☒ NYVE ☐ Admr ☐ Kregn Ja ☐ Nei ☒ Aktiv. regn ☐

M ☐ Rets ☐ Ant.s 94

☐ ov.b ☐ årsb ☐ res ☐ bal ☐ e.bal ☐ gj.bal ☐ rev ☐ i-rev ☐ k-res ☐ k-bal ☐ k-n ☐ k-rev ☐ i-k-rev ☐ n

☐ k-regn ☐ kto ☐ d.k ☐ ik-fv ☐ konsf ☐ ifrs ☐ fr-rev funk u.off brev

2025 200244

BR-1001-11

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer:	2025 664417

Enheten

Organisasjonsnummer:	992 055 049
Organisasjonsform:	Norskreg. utenlandsk foretak
Foretaksnavn:	HDI GLOBAL SE FILIAL NORGE NUF
Forretningsadresse:	Rådhusgata 27 0158 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Siv-Anne Egge
Dato for fastsettelse av årsregnskapet:	28.05.2025

Grunnlag for avgivelse

År 2024: Årsregnskap er elektronisk innlevert.
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.08.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 992 055 049
HDI GLOBAL SE FILIAL NORGE NUF

RESULTATREGNSKAP

Beløp i: EUR	Note	2024	2023
TEKNISK REGNSKAP FOR SKADEFORSIKRING			
Opptjente bruttopremier		6 954 269 000	6 197 781 000
Gjenforsikringsandel av opptjente bruttopremier		4 523 290 000	3 945 812 000
Sum premieinntekter for egen regning		**2 430 979 000**	**2 251 969 000**
Andre forsikringsrelaterte inntekter		7 745 000	7 246 000
Erstatningskostnader			
Brutto erstatningskostnader		4 537 780 000	3 361 579 000
Gjenforsikringsandel av brutto erstatningskostnader		2 756 023 000	1 845 363 000
Sum erstatningskostnader for egen regning		**1 781 757 000**	**1 516 216 000**
Forsikringsrelaterte driftskostnader			
Salgskostnader		-5 921 000	3 811 000
Endringer i forskuddsbetalte direkte salgskostnader		1 158 501 000	1 064 108 000
Mottatte provisjoner for avgitt gjenforsikring og gevinstandeler		773 545 000	646 397 000
Sum forsikringsrelaterte driftskostnader		**379 035 000**	**421 522 000**
Andre forsikringsrelaterte driftskostnader		88 005 000	184 329 000
Resultat av teknisk regnskap		**189 927 000**	**137 148 000**
IKKE-TEKNISK REGNSKAP			
Netto Inntekter fra investeringer			
Inntekter fra investeringer i datterforetak, tilknyttede foretak og felleskontrollerte foretak		161 668 000	14 617 000
Renteinntekt og utbytte m. v. på finansielle eiendeler		233 345 000	187 489 000

Netto driftsinntekt fra eiendom	13 987 000	12 946 000
Realisert gevinst og tap på investeringer	156 933 000	108 368 000
Administrasjonskostnader knyttet til investeringer, herunder rentekostnader	111 071 000	133 167 000
Sum netto inntekter fra investeringer	**454 862 000**	**190 253 000**
Andre inntekter og kostnader		
Andre inntekter	78 284 000	81 165 000
Andre kostnader	206 498 000	201 396 000
Resultat av ikke-teknisk regnskap	**326 648 000**	**70 022 000**
Resultat før skattekostnad	**516 575 000**	**207 170 000**
Skattekostnad	104 729 000	79 211 000
Resultat før andre inntekter og kostnader	**411 846 000**	**127 959 000**
Totalresultat	**411 846 000**	**127 959 000**

Organisasjonsnr: 992 055 049
HDI GLOBAL SE FILIAL NORGE NUF

BALANSE

Beløp i: EUR	Note	2024	2023
BALANSE - EIENDELER			
Immaterielle eiendeler			
Sum immaterielle eiendeler		**0**	**0**
Investeringer			
Investeringseiendommer		162 868 000	165 378 000
Bygninger og andre faste eiendommer		**162 868 000**	**165 378 000**
Aksjer og andeler i datterforetak, tilknyttede foretak og felleskontrollerte foretak		3 397 539 000	3 011 412 000
Datterforetak, tilknyttede foretak og felleskontrollerte foretak		**3 397 539 000**	**3 011 412 000**
Finansielle eiendeler som måles til amortisert kost		**0**	**0**
Andre finansielle eiendeler		6 638 279 000	6 520 534 000
Finansielle eiendeler som måles til virkelig verdi		**6 638 279 000**	**6 520 534 000**
Sum investeringer		**10 198 686 000**	**9 697 324 000**
Gjenforsikringsandel av brutto forsikringsforpliktelser			
Gjenforsikringsandel av ikke opptjent bruttopremie			
Sum gjenforsikringsandel av brutto forsikringsforpliktelser		**0**	**0**
Fordringer			
Forsikringstakere		362 410 000	438 315 000
Mellommenn		748 874 000	592 072 000
Fordringer i forbindelse med direkte forretninger		**1 111 284 000**	**1 030 387 000**
Fordringer i forbindelse med gjenforsikring		576 625 000	421 452 000
Andre fordringer		1 115 025 000	866 156 000
Sum fordringer		**2 802 934 000**	**2 317 995 000**
Andre eiendeler			
Anlegg og utstyr		10 434 000	10 028 000
Kasse, bank		1 041 394 000	543 930 000
Sum andre eiendeler		**1 051 828 000**	**553 958 000**
Opptjente, ikke mottatte leieinntekter		65 489 000	61 880 000
Andre forskuddsbetalte kostnader og opptjente			

ikke mottatte inntekter	4 693 000	5 430 000
Sum forskuddsbetalte kostnader og opptjente ikke mottatte inntekter	**70 182 000**	**67 310 000**
SUM EIENDELER	**14 123 630 000**	**12 636 587 000**
EGENKAPITAL OG FORPLIKTELSER		
Innskutt egenkapital		
Aksjekapital/ eierandelskapital/ garantifond	409 043 000	409 043 000
Selskapskapital	**409 043 000**	**409 043 000**
Sum innskutt egenkapital	**409 043 000**	**409 043 000**
Opptjent egenkapital		
Fond m.v.		
Sum opptjent egenkapital	**0**	**0**
Sum egenkapital	**409 043 000**	**409 043 000**
Ansvarlig lånekapital med tilknyttede konverteringsrettigheter	380 000 000	380 000 000
Sum ansvarlig lånekapital m.v.	**380 000 000**	**380 000 000**
Brutto forsikringsforpliktelser		
Avsetning for ikke opptjent bruttopremie	802 547 000	705 799 000
Avsetning for ikke avløpt risiko	1 021 820 000	962 059 000
Brutto erstatningsavsetning	7 806 270 000	7 369 329 000
Sum brutto forsikringsforpliktelser	**9 630 637 000**	**9 037 187 000**
Avsetninger for forpliktelser		
Pensjonsforpliktelser o.l.	491 927 000	512 805 000
Forpliktelser ved skatt		
Forpliktelser ved utsatt skatt	91 965 000	75 409 000
Andre avsetninger for forpliktelser	104 395 000	85 301 000
Sum avsetninger for forpliktelser	**688 287 000**	**673 515 000**
Forpliktelser i forbindelse med direkte forsikring	374 188 000	327 417 000
Forpliktelser i forbindelse med gjenforsikring	216 846 000	157 117 000
Andre forpliktelser	2 422 123 000	1 650 613 000
Sum forpliktelser	**3 013 157 000**	**2 135 147 000**

Påløpte kostnader og mottatte ikke opptjente inntekter		
Andre påløpte kostnader og mottatte ikke opptjente inntekter	2 505 000	1 695 000
Sum påløpte kostnader og mottatte ikke opptjente inntekter	**2 505 000**	**1 695 000**
SUM EGENKAPITAL OG FORPLIKTELSER	**14 123 629 000**	**12 636 587 000**

HDI

HDI Global SE 2024 Annual Report

HDI Global SE at a glance

		2024	2023
Gross premium income	EUR million	7,193	6,490
Increase/decrease in gross premium income	%	10.8	12.0
Income from premiums earned for own account	EUR million	2,431	2,252
Expenses on insurance claims for own account	EUR million	1,782	1,516
Loss ratio for own account[1)]	%	73.3	67.3
Expenses for insurance operations for own account	EUR million	385	418
Expense ratio for own account[2)]	%	15.8	18.5
Underwriting result before equalisation reserve for own account	EUR million	250	296
Combined ratio for own account	%	89.1	85.9
Investments	EUR million	10,199	9,697
Investment income	EUR million	566	323
Non-underwriting result[4)]	EUR million	327	70
Result from ordinary activities	EUR million	517	207
Tax expense	EUR million	105	79
Loss (−)/ profit transferred under a profit-and-loss transfer agreement	EUR million	412	128
Operating profit/loss (result from ordinary activities less changes in the equalisation reserve)	EUR million	576	366
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	1,022	962
Other underwriting provisions for own account[5)]	EUR million	8,609	8,075
Total	EUR million	10,420	9,826
Of earned premiums for own account	%	428.6	436.3
Ratio of underwriting provisions for own account[6)]	%	319.1	316.5
Insurance contracts	1,000	787	769
Reported claims	1,000	258	225
Average number of employees throughout the year	Number	1,213	1.133
German employees transferred to HDI AG as of March 1, 2022			

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'.

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The year 2024...
made it clear how important the role of a Corporate & Specialty insurer is. Essential sectors such as energy, mobility, health and digitalisation are undergoing extensive transformations. Carbon-neutral technologies, generative artificial intelligence, autonomous driving and the Industrial Internet of Things (IIoT) with intelligent sensors are changing industries worldwide and all of our daily lives.

I am convinced that the importance of high-performing Corporate & Specialty insurers has rarely been greater than it is today. In addition to the traditional role of providing protection against risks, it is also about recognising the opportunities that arise from change, capitalising on them and actively helping to shape solutions. We support companies in developing innovative products and processes that have a positive impact on our world. These innovations must be insured in order to be deployed profitably in the long term. To achieve this, we need to understand the new risks that arise from the various changes. Curiosity, expertise and an ability to constantly adapt enable us to act as a strong Partner in Transformation for our clients and brokers. The key to this is that our global teams implement customised solutions in over 175 countries. We are close to our clients and our aim is to act quickly and in a solution-driven manner. I am certain that this approach is paying off.

I am pleased to report that we were able to successfully conclude the 2024 financial year. We achieved our ambitious profit targets and became even more resilient. Our strong performance enables us to remain a stable and reliable partner for years to come. Furthermore, HDI Global made a significant contribution to the Group net income of the Talanx Group. With profitable growth around the globe, we have proven that our self-image is alive and well: we are our clients' reliable partner worldwide.

We protect the present and enable future technologies. HDI Global provides the foundation for offering clients tailored coverage as they take individual steps in their transformation process. We are actively addressing the risks arising from climate change. Our motto here is: secure before insure. With tools such as ARGOS and climate risk reporting, we are using data to raise our clients' awareness of their risk exposure over decades and mitigate their risks. We also insure numerous cutting-edge technologies, for example the production of green steel, autonomous driving, alternative fuels and new approaches in medical technology, to name just a few. Artificial intelligence (AI) is now part of everyday life and plays a role in all industries. The use of AI for wind turbine monitoring and the data-based risk assessment of battery storage systems is already demonstrating the broad added value of AI.

In spite of all the technological advances, however, insurance is a business by people for people. On a foundation of fairness, collaboration and dedication, we make performance possible – but also demand it. This plays a decisive role in our success and makes HDI Global an attractive and successful employer. I am proud of the hard work and dedication of the more than 5,000 people who work for HDI Global worldwide. In our achievement-orientated corporate culture, we create an atmosphere in which they enjoy coming to work. This culture is based on our T-O-P values. Together, Ownership and Performance enable us to deliver results while also enjoying our work. After all, only a motivated team can meet the challenges of our time and embrace opportunities. Our success in 2024 is testament to this.

On behalf of the entire Executive Board, I would like to thank everyone who has worked hard for this result, as well as our brokers and business partners for their close cooperation and their many years of trust in our insurance solutions and services. Now more than ever, the insurance industry has a crucial role to play in ensuring stability and positively shaping global change. At HDI Global, we are proud to support this change and to enable partners to take advantage of the opportunities that arise in times of transformation.

Yours sincerely,

Dr Edgar Puls
Chairman of HDI Global SE Executive Board

Report of the Supervisory Board

The Supervisory Board continuously monitored the Board of Management's conduct of business in the past financial year 2024 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 7 March 2024 and 6 November 2024, as well as for an extraordinary meeting on 24 June 2024. 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 2024 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 three meetings in the reporting period and made recommendations to the full Supervisory Board regarding resolutions, in particular with regard to the composition of the Board of Management and the remuneration of its members.

Key issues discussed by the full Supervisory Board

In addition to the Company's business performance in the current financial year, the Supervisory Board's deliberations also focused on the further optimisation of internal processes and structures, issues relating to the Company's strategic direction, potential acquisition projects and the digital transformation. Furthermore, the Company's operational planning for financial year 2025 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 2024 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 10 March 2025 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 were 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 10 March 2025. The annual financial statements are thus adopted.

Composition of the Supervisory Board and the Board of Management

The composition of the Supervisory Board did not change during the 2024 reporting period.

Claire McDonald resigned from the Board of Management with effect from 31 March 2024. Dr Barbara Klimaszewski-Blettner and Dr Dirk Höring were appointed as new members of the Board of Management with effect from 1 April 2024.

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, 10 March 2025

On behalf of the Supervisory Board

Torsten Leue

(Chairman)

Management report

Basic principles of the Company

HDI Global SE is a member company of the Talanx Group and handles all of the Group's worldwide activities in the area of corporate and specialty insurance. It is a wholly owned subsidiary of Talanx AG and is 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. In addition to the Company's prominent presence in the German market, it is also active in more than 175 countries through foreign branches, subsidiaries, affiliates and network partners. In order to better serve customers with global operations covered by local policies, one of HDI Global SE's strategic objectives is internationalisation, in which the defined service and insurance coverage is provided worldwide for all risks included.

The Company's product portfolio includes liability, motor, casualty, fire and property insurance, as well as transport and technical insurance. HDI Global SE offers a complete range of products designed to cover business 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

In 2024, the global economic landscape was characterised by geopolitical tensions such as the conflict in the Middle East, political uncertainty in the face of new elections and changes of government in numerous countries, as well as the restrictive monetary policy of many central banks for long periods of the year. Against this backdrop, the global economy grew by 3.2%, which, after a further slowdown, was slightly below its average since the turn of the millennium.

In Germany, the economy shrank for the second year in a row in 2024, contracting by 0.2%. Within this context, gross value added fell significantly in both the manufacturing and construction industries, while it increased slightly in the services sector. In particular, persistently high energy costs, increased interest rates and the uncertain economic and political outlook proved to be negative factors. On the expenditure side, the increase in private and public consumption was unable to fully compensate for the sharp decline in gross fixed capital expenditure, particularly as regards investments in equipment. At the same time, the headwind increased in the foreign markets. In 2024, Germany was thus among the laggards in the eurozone in terms of economic performance, as it was in 2023, with the eurozone's economic output increasing by 0.7% overall compared to the previous year.

Despite the higher interest rates and all the fears of a recession, the US economy continued to perform well in 2024, growing by 2.8% year on year. This growth was supported by public-sector consumption and capital spending (including on equipment) while foreign trade proved to be a burden in view of the strong growth in imports. In particular, consumer spending again lived up to its reputation as the most important driver of growth in the US economy, benefiting from rising purchasing power thanks to strong wage growth combined with stable inflation and a robust labour market. Although the unemployment rate rose slightly from 3.8% to 4.1% over the course of the year, it remained at a low level by historical standards.

In 2024, economic growth in China slowed from 5.2% year on year to 5.0%. In the face of ongoing turmoil in the property sector, high levels of debt among local governments, limited consumer spending by private households and investment driven exclusively by the state, additional stimulus ultimately ensured a strong fourth quarter, meaning that the country only narrowly achieved the official growth target of 5%.

Growth in Latin America accelerated slightly from 1.9% to 2.2% last year. The fact that many central banks in the region had already begun to lower their key interest rates again in 2023, after they had risen sharply in the wake of the post-COVID-19 inflation shock, proved to have a supportive effect. Nevertheless, growth remained below the average since the turn of the millennium.

Global inflationary pressure continued to ease last year, although inflation rates did not return to their pre-COVID-19 levels. In the eurozone, the inflation rate still stood at 2.5% in the middle of last year. However, the sharp decline of around eight percentage points from the 2022 high gave the ECB sufficient confidence to initiate a cycle of interest rate cuts from June onwards in the face of weak economic activity in the eurozone, and to subsequently lower the deposit rate from 4.0% to 3.0% by year-end. After price pressure in the United States initially increased again in the first quarter of 2024, inflation in the country stabilised between 2.5% and 3.0%. In this context, the Fed remained comparatively cautious and only began lowering interest rates in September, although it also reduced the base rate by a full percentage point to 4.50% by the end of the year.

Capital markets

The prospect of interest rate cuts by the central banks, the stable economic environment in the United States and positive earnings trends drove the stock markets to ever new record highs in 2024. The US S&P 500 ended the year up 23.3% (all performance figures calculated in USD), thereby posting growth of more than 20% for the second year in a row. As in the prior year, the US stock market benefited from the well above-average performance of the major technology companies, not least in the face of the euphoria surrounding the topic of artificial intelligence, whereas the temporary "Trump rally" after the US presidential elections at the beginning of November proved to be short-lived. Equities in the developed markets (MSCI World: +17.0%), Asia (MSCI Asia ex Japan: +9.8%) and China (MSCI China: +16.3%) lagged behind. In US dollar terms, the Euro Stoxx index even ended the year with a small loss of 0.3%, while the DAX rose above the 20,000-point mark for the first time in its history. Due to the prospect of interest rate cuts by the Fed, the yield on 10-year US Treasuries fell from its high of 5% in autumn 2023 to 3.62% by September 2024. However, concerns about the United States' high national debt and the future US president's potentially inflationary (tariff) policy, as well as doubts about further interest rate cuts by the Fed, pushed yields back up to 4.57% by the end of the year (2024: +0.69 percentage points). The yield on 10-year German government bonds rose from 2.02% to 2.37% over all over the course of 2024. The price of Brent crude oil reached its annual high of USD 91 per barrel in April, as the conflict in the Middle East escalated. However, by the end of the year, it had fallen to USD 74, a year-on-year decline of 3.1%. After the euro had gained ground to USD 1.12 by August, the sharp rise in interest rates in the United States in the autumn triggered a significant downward trend towards parity. At the end of the year, the EUR was trading at USD 1.04, down 6.2% on its opening price at the start of the year.

International insurance markets

International property/casualty insurance recorded real premium growth in 2024 due to the ongoing hard market phase, particularly in the field of private insurance. Growth in the developed insurance markets was slightly below the level of emerging markets (excluding China) and was mainly characterised by inflation-related price adjustments. In this context, North America showed the strongest real premium growth, followed by Europe and the Asia-Pacific region. The positive real premium growth in emerging markets was primarily driven by volume effects.

The losses caused by natural catastrophes in the reporting period were above the level of the previous year and significantly above the ten-year average. Once again, a large share of the losses was due to a multitude of events with low to moderate impact, in particular severe thunderstorms, floods and hurricanes. In Europe and the Middle East, severe flooding caused extensive damage, while the United States was affected by hurricanes Helene and Milton and severe thunderstorms. International property/casualty reinsurance recorded positive premium growth in the reporting period, which was also primarily due to price adjustments.

German insurance industry

The development of property/casualty insurance in the German insurance industry was again characterised by inflation-related premium adjustments in 2024 due to catch-up effects. Due to these catch-up effects, motor insurance was able to record a significant increase in premiums despite only a small increase in the portfolio. Claims expenses were again higher than in the previous year due to rising repair costs and a slight increase in the frequency of claims. In 2024, losses due to natural catastrophes decreased slightly compared to the prior year, but remained at a high level. In particular, severe natural hazard losses occurred at a rate well above the long-term average. The most severe natural hazard losses were caused by the floods in May and 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, business activities are subject to extensive legal requirements. In recent years, the regulatory framework has become more stringent, which has led to increasing complexity. This trend continued in 2024.

The sale 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. For the area of residual debt insurance, a commission cap was enshrined in law within the framework of Germany's Crowdfunding Accompanying Act, which came into force on 1 July 2022. In addition, Germany's Financing for the Future Act (ZuFinG), which came into force on 1 January 2025, introduced a seven-day waiting period for the conclusion of residual debt insurance policies for general consumer credit agreements. Furthermore, Germany's Improving Accessibility Act (Barrierefreiheitsstärkungsgesetz) and the corresponding ordinance will come into force on 28 June 2025, according to which certain products and services for consumers must be rendered accessible and accompanied by accessibility information. The services specified in the act include e-commerce services, which means that the online sale of insurance products must comply with the accessibility requirements that will then apply.

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. The BaFin has published a revised version of the MaGo for public consultation.

The changes are not expected to have a significant impact on the Group.

Due to Germany's Money Laundering Act (abbreviated GwG in German), HDI Global SE is obliged to prevent money laundering. 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 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.

In recent years, digitalisation has become increasingly important. 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. In 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 (WA) regarding Supervisory Requirements for IT in German Asset Managers (KAIT). The Authority also published guidance on outsourcing to cloud providers. Furthermore, the EU issued the Regulation on Artificial Intelligence (Regulation (EU) 2024/1689) in 2024, which also applies to the insurance industry and will have a tangible impact on HDI Global SE.

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 and incidents in information and communication technology.

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 (via dedicated training seminars) and are bound in writing to comply 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 Group pays close attention to adapting its business and products to the applicable legal, regulatory and taxation frameworks. The mechanisms installed for this purpose ensure that we can promptly identify and assess future legal developments and their impact on our business activities, so that we can make the necessary adjustments in a timely manner.

Business performance

Insurance business as a whole

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	7,193	2,518	6,490	2,307
Premiums earned	6,954	2,431	6,198	2,252
Expenses for insurance claims	4,538	1,172	3,362	1,516
Expenses for insurance operations	1,159	385	1,064	418
Underwriting result for own account		190		137
In %				
Loss ratio*	65.3	73.3	54.2	67.3
Expense ratio**	16.7	15.8	17.2	18.6
Combined ratio***	81.9	89.1	71.4	85.9

* *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 703 million to EUR 7,193 (6,490) million in the reporting period, thereby clearly exceeding expectations. The main reasons for this were growth in the transport insurance and engineering insurance portfolios, as well as additional premiums agreed in motor insurance.

Gross premiums for the financial year

EUR million, %		
All-risk insurance	2,310	32.1
Liability insurance	2,223	30.9
Engineering Insurance	769	10.7
Marine and aviation insurance	768	10.7
Motor insurance	578	8.0
Fire insurance	241	3.3
Other Insurance	213	3.0
Casualty insurance	92	1.3
Total	**7,193**	**100.0**

Net premiums earned increased significantly less than gross written premiums, rising by EUR 179 million to EUR 2,431 (2,252) million, which can be primarily attributed to adjustments to intra-group reinsurance.

Gross claims expenses increased sharply by EUR 1,176 million to EUR 4,538 (3,362) million, which can be attributed, in particular, to the developments in the liability insurance and motor insurance lines, as well as the property insurance lines.

The year was characterised, most notably, by the natural catastrophes Hurricane Milton and Hurricane Helene in the United States, the floods in Brazil and Central Europe, and a large loss in Germany. The run-off profit declined considerably by EUR 356 million year on year to EUR 307 (662) million. Consequently, the gross loss ratio increased significantly by 11.1 percentage points to 65.3% (54.2%).

After reinsurance relief, net claims expenses grew by EUR 266 million to EUR 1,782 (1,516) million, resulting in a 6.0 percentage point increase in the net loss ratio to 73.3% (67.3%).

Gross commission expenses rose by EUR 81 million to EUR 704 (624) million and therefore in line with robust growth on a gross basis. Gross administrative expenses increased slightly by EUR 14 million to EUR 454 (440) million, which led to a decline in the gross expense ratio of 0.5 percentage points to 16.7% (17.2%). Following a further increase in reinsurance commissions, the net expense ratio fell sharply by 2.7 percentage points to 15.8% (18.6%).

The combined ratio reflected the aforementioned effects and increased significantly in gross to 81.9 (71.4) and by 3.3 percentage points in net terms to 89.1% (85.9%).

Overall, the Company improved its net underwriting result to EUR 190 (137) million. In addition to the above-mentioned effects, the result includes an allocation to the equalisation reserve in the amount of EUR 59 (159) million. This means that performance has exceeded expectations.

Direct written insurance business

Liability Insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	1,580	711	1,477	622
Premiums earned	1,546	700	1,428	609
Expenses for insurance claims	1,290	504	788	572
Expenses for insurance operations	228	102	219	100
Underwriting result for own account		-15		-21
In %				
Loss ratio	83.5	72.0	55.2	93.8
Expense ratio	14.8	14.5	15.3	16.4
Combined ratio	98.3	86.5	70.5	110.3

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 103 million to EUR 1,580 (1,477) million owing in particular to premium growth and new business. Net premiums earned rose by EUR 91 million year on year to EUR 700 (609) million due to special effects in reinsurance in the prior year.

Gross expenses for insurance claims increased by EUR 502 million to EUR 1,290 (788) million. The loss ratio for the financial year increased to 72.7% (61.2%) and the loss ratio for the prior financial year rose to 10.7% (-6.0%). The run-off result deteriorated by EUR 252 million to a run-off loss of EUR 166 million (compared to a run-off profit of EUR 86 million in the prior year). The prior year's run-off profit was influenced by a reduction in the large loss reserves in the technical provisions. Claims expenses for the financial year increased by EUR 250 million to EUR 1,124 (874) million.

Net expenses for insurance claims declined by EUR 68 million to EUR 504 (572) million. The net run-off result improved by EUR 157 million to a run-off profit of EUR 5 million (compared to a run-off loss of EUR 152 million in the prior year). This was the result of an increase in reserves for highly reinsured losses. Accordingly, the net loss ratio decreased in the financial year by 21.8 percentage points to 72.0% (93.8%).

Expenses for insurance operations amounted to EUR 228 (219) million on a gross basis and EUR 102 (100) million on a net basis due to increased premium volume. The gross expense ratio declined by 0.5 percentage points to 14.8% (15.3%). The net expense ratio fell to 14.5% (16.4%).

The combined ratio reflected the developments described above and was equal to 98.3% (70.5%) for the gross ratio and 86.5% (110.3%) for the net ratio.

After an allocation of EUR 107 million to the equalisation reserve (prior year: EUR 44 million withdrawal), the liability insurance line reported a net underwriting result of EUR -15 (-21) million.

Fire insurance

	2024	2024	2023	2023
EUR million	**Gross**	**Net**	**Gross**	**Net**
Premiums	230	92	211	88
Premiums earned	228	90	214	91
Expenses for insurance claims	221	101	89	37
Expenses for insurance operations	38	11	37	13
Underwriting result for own account		-17		-37
In %				
Loss ratio	96.8	112.2	41.3	40.6
Expense ratio	16.6	12.6	17.1	14.2
Combined ratio	113.4	124.8	58.4	54.8

Gross premium income from industrial fire and fire business interruption insurance increased in the financial year by 19 million to EUR 230 (211) million. Net premiums earned declined by EUR 1 million and were equal to EUR 90 (91) million.

Gross expenses for insurance claims rose in the financial year by EUR 132 million to EUR 221 (89) million. Claims expenses for the financial year increased by EUR 76 million to EUR 297 (221) million due to higher expenses for large losses in the nat cat segment. The run-off result showed a profit of EUR 77 (132) million. The gross loss ratio climbed by 55.5 percentage points to 96.8% (41.3%).

Net expenses for insurance claims rose by EUR 64 million to EUR 101 (37) million. The net loss ratio increased accordingly by 71.6 percentage points to 112.2% (40.6%).

Gross expenses for insurance operations increased by EUR 1 million to EUR 38 (37) million, while net expenses for insurance operations fell by EUR 2 million to EUR 11 (13) million. The gross expense ratio fell to 16.6% (17.1%) and the net expense ratio by 1.6 percentage points to 12.6% (14.2%). The combined ratio thus reflected the above-mentioned developments, deteriorating to 113.4% (58.4%) on a gross basis and to 124.8% (54.8%) on a net basis.

After a withdrawal of EUR 12 million from the equalisation reserve (prior year: allocation to the reserve of EUR 72 million),the net underwriting result for the financial year as a whole was EUR -17 (-37) million.

Motor insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	526	276	444	342
Premiums earned	515	276	428	334
Expenses for insurance claims	453	248	365	295
Expenses for insurance operations	72	28	68	55
Underwriting result for own account		49		0
In %				
Loss ratio	88.0	89.6	85.2	88.4
Expense ratio	14.0	10.0	15.9	16.5
Combined ratio	102.1	99.7	101.1	104.9

A year-on-year increase in premiums was recorded in 2024. Gross written premiums in the motor insurance line rose in the financial year by EUR 82 million to EUR 526 (444) million. This increase was based on agreements on surplus premiums and new customer relationships. The increase in gross premiums earned was somewhat higher. It rose by EUR 87 million to EUR 515 (428) million.

Net premiums earned fell by EUR 58 million to EUR 276 (334) million due to a new reinsurance treaty.

Gross expenses for insurance claims rose by EUR 88 million and were equal to EUR 453 (365) million. Claims expenses for the financial year increased by EUR 103 million to EUR 521 (418) million. The run-off profit amounted to EUR 68 (54) million year on year – an increase of EUR 14 million. The gross loss ratio of 88.0% (85.2%) exceeded the prior year's level.

Net expenses for insurance claims decreased by EUR 47 million to EUR 248 (295) million due to the new reinsurance structure. The net loss ratio rose to 89.6% (88.4%).

Gross expenses for insurance operations increased in line with the growth in premiums and amounted to EUR 72 (68) million, with gross administrative expenses remaining constant at EUR 42 (42) million while commission expenses increased to EUR 30 (25) million. The Company successfully lowered the gross cost ratio to 14.0% (15.9%) in connection with the increase in premiums. The net expense ratio of 10.0% (16.5%) came in well below the prior-year level due to the reinsurance commission from the new reinsurance treaty.

The combined ratio increased to 102.1% (101.1%) on a gross basis and declined to 99.7% (104.9%) on a net basis.

Marine and aviation insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	514	59	475	108
Premiums earned	510	65	462	108
Expenses for insurance claims	315	31	269	18
Expenses for insurance operations	88	18	84	26
Underwriting result for own account		24		38
In %				
Loss ratio	61.8	47.9	58.1	17.1
Expense ratio	17.2	28.0	18.3	24.1
Combined ratio	79.1	75.9	76.4	41.2

Gross written premiums for the marine and aviation insurance lines in the direct business increased by EUR 39 million to EUR 514 (475) million in the financial year. In this context, the marine line recorded an increase of EUR 39 million, attributable, in particular, to business outside of Germany (EUR 32 million). As such, the premium volume in direct marine business now amounts to EUR 484 million. Net premiums, on the other hand, decreased due to a reinsurance adjustment in the marine line. The aviation line maintained its premium volume at a constant level of EUR 33 (31) million.

Gross expenses for insurance claims rose overall by EUR 46 million to EUR 315 (269) million. Gross expenses for the financial year in the marine insurance line rose by EUR 36 million to EUR 299 (263) million. Claims expenses for the financial year fell to EUR 326 (332) million, while run-off profits decreased to EUR 26 (69) million, primarily in Germany. Gross expenses in the aviation insurance line fell for the financial year by EUR 1 million to EUR 17 (18) million. The run-off profit amounted to EUR 1 (12) million. The gross loss ratio increased in total by 3.7 percentage points to 61.8% (58.1%).

Net expenses for insurance claims rose by EUR 13 million to EUR 31 (18) million. In the marine insurance line, the net result showed a decline in fiscal year claims expenses to EUR 48 (76) million and a lower run-off profit of EUR 20 (51) million. A loss of EUR 2 million was recorded in the aviation insurance line (prior year: profit of EUR 7 million).

The combined ratio increased overall to 79.1% (76.4%) on a gross basis and to 75.9% (41.2%) on a net basis.

After a withdrawal of EUR 11 million from the equalisation reserve (prior year: allocation of EUR 17 million), a net underwriting result of EUR 24 (38) million remained for the financial year.

Engineering insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	520	207	456	172
Premiums earned	460	187	404	163
Expenses for insurance claims	338	151	196	91
Expenses for insurance operations	90	21	83	20
Underwriting result for own account		10		48
In %				
Loss ratio	73.3	80.7	48.7	56.2
Expense ratio	19.5	11.4	20.5	12.1
Combined ratio	92.8	92.1	69.1	68.2

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 520 (456) million, which can be attributed primarily to premium growth abroad. Net premiums earned amounted to EUR 187 (163) million and thereby followed the trend in gross written premiums.

Gross expenses for insurance claims rose in the financial year by EUR 142 million to EUR 338 (196) million, mainly as a result of increased claims expenses for the financial year in the amount of EUR 354 (244) million. This was primarily due to an increase in claims expenses in Germany for the financial year. Gross run-off showed a profit of EUR 17 (48) million, which is predominantly attributable to business in Germany. Overall, the above-mentioned developments resulted in a 24.6 percentage point increase in the gross loss ratio to 73.3% (48.7%) in the reporting period.

Net expenses for insurance claims rose by EUR 60 million to EUR 151 (91) million as a result of higher expenses for large losses during the financial year. The net run-off result for the financial year amounted to a loss of EUR 9 million (prior year: run-off result of EUR 0 million) due to reserve increases in Germany.

In line with the deterioration in the large loss situation in the financial year, the net loss ratio rose by 24.5 percentage points to 80.7% (56.2%).

The expense ratio for direct insurance business declined year on year to 19.5% (20.5%) on a gross basis. The decrease in this ratio was mainly due to the increase in gross premiums earned. The net expense ratio declined by 0.7 percentage points year on year to 11.4% (12.1%).

The combined ratio reflected the above-mentioned developments and stood at 92.8% (69.1%) in gross terms and 92.1% (68.2%) in net terms.

Overall, a net underwriting profit of EUR 10 (48) million was reported for the engineering insurance line.

Casualty insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	81	71	73	62
Premiums earned	79	69	73	62
Expenses for insurance claims	46	44	58	45
Expenses for insurance operations	20	18	20	18
Underwriting result for own account		1		-1
In %				
Loss ratio	58.2	64.6	79.9	73.0
Expense ratio	25.1	26.9	27.1	29.3
Combined ratio	83.3	91.5	107.0	102.2

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 premiums written of EUR 81 (73) million in the financial year, which corresponds to an increase of 11.0%. Net premiums earned increased by EUR 7 million and amounted to EUR 69 (62) million.

Gross expenses for insurance claims declined year on year by EUR 12 million to EUR 46 (58) million. Thus, the gross loss ratio decreased by 21.7 percentage points to 58.2% (79.9%).

Net expenses for insurance claims remained on a par with the prior year at EUR 44 (45) million. The net loss ratio declined by 8.4 percentage points to 64.6% (73.0%).

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 25.1% (27.1%) as well as the net expense ratio of 26.9% (29.3%) were below the previous year's level.

The gross combined ratio decreased by 23.7 percentage points to 83.3% (107.0%). The net combined ratio declined by 10.7 percentage points to 91.5% (102.2%).

The underwriting result for the financial year included an allocation of EUR 5 million to the provision for premium refunds.

The financial year closed with a net underwriting result of EUR 1 million (prior year: EUR -1 million). The underwriting result in the financial year includes an allocation to the equalisation reserve in the amount of EUR 1 million, whereas a withdrawal in the amount of EUR 1 million was made in the prior year.

All-risk insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	1,002	241	944	227
Premiums earned	991	224	885	212
Expenses for insurance claims	330	79	392	152
Expenses for insurance operations	126	17	113	17
Underwriting result for own account		118		33
In %				
Loss ratio	33.2	35.5	44.3	71.8
Expense ratio	12.7	7.5	12.7	8.2
Combined ratio	45.9	43.0	57.0	80.0

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 58 million to EUR 1,002 (944) million. This increase can be attributed substantially to the foreign branches. Net premiums earned rose by EUR 12 million and were equal to EUR 224 (212) million.

Gross expenses for insurance claims decreased by EUR 62 million to EUR 330 (392) million. Claims expenses for the financial year increased by EUR 31 million to EUR 506 (475) million, primarily due to higher expenses for natural catastrophes. The run-off result showed a profit of EUR 176 (82) million. This development was mainly due to reserve reductions in Germany. Overall, the gross loss ratio decreased by 11.1 percentage points to 33.2% (44.3%).

Net expenses for insurance claims declined by EUR 73 million to EUR 79 (152) million. The net loss ratio improved accordingly by 36.3 percentage points to 35.5% (71.8%).

Gross expenses for insurance operations for the financial year increased to EUR 126 (113) million. At EUR 17 (17) million, net expenses for insurance operations were at the previous year's level. The expense ratio remained constant on a gross basis at 12.7% (12.7%) and fell on a net basis to 7.5% (8.2%).

The combined ratios reflected the above-mentioned developments and stood at 45.9% (57.0%) for the gross ratio and 43.0% (80.0%) for the net ratio.

In total, an underwriting result of EUR 118 (33) million is reported for the all-risk insurance line.

Other insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	197	64	199	75
Premiums earned	194	63	196	73
Expenses for insurance claims	139	59	37	16
Expenses for insurance operations	36	8	36	10
Underwriting result for own account		-5		46
In %				
Loss ratio	71.5	94.0	19.0	22.5
Expense ratio	18.4	13.3	18.7	14.0
Combined ratio	89.9	107.2	37.7	36.5

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 declined year on year to EUR 197 (199) million. The decline in premiums was mainly recorded in the cyber and EC segments and was the result of conservative underwriting in a less hard market phase. Premiums remained largely unchanged in the other insurance segments. Net premiums earned also fell in line with the change in gross premiums earned to EUR 63 (73) 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 2024.

Gross expenses for insurance claims increased by a total of EUR 102 million to EUR 139 (37) million. The gross loss ratio rose accordingly by 52.5 percentage points to 71.5% (19.0%).

Net expenses for insurance claims increased by EUR 43 million to a total of EUR 59 (16) million. The net loss ratio thus increased by 71.5 percentage points to 94.0% (22.5%) overall.

The increase in expenses for insurance claims was recorded in all lines of other insurance except crisis management.

Gross expenses for insurance operations remained exactly the same as the prior year's level at EUR 36 million. The gross expense ratio fell slightly to 18.4% (18.7%). Net expenses for insurance operations fell year on year by EUR 2 million to EUR 8 (10) million. The net expense ratio fell to 13.3% (14.0%).

The gross combined ratio increased year on year to 89.9% (37.7%), while the net combined ratio rose to 107.2% (36.5%).

In the reporting period, the other insurance segments posted a net underwriting result of EUR -5 (46) million.

Business accepted for reinsurance

Total

EUR million	2024 Gross	2024 Net	2023 Gross	2023 Net
Premiums	2,543	797	2,211	611
Premiums earned	2,431	758	2,108	601
Expenses for insurance claims	1,406	565	1,167	289
Expenses for insurance operations	461	161	405	158
Underwriting result for own account		25		31
In %				
Loss ratio	57.9	74.5	55.4	48.1
Expense ratio	19.0	21.3	19.2	26.4
Combined ratio	76.8	95.8	74.6	74.4

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 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 2,543 (2,211) million in the reporting period and therefore considerably exceeded the prior year's amount. The majority of this total, or EUR 1,308 (1,213) million, was attributable to the all-risk insurance line (including business interruption), followed by liability insurance at EUR 643 (569) million and marine insurance at EUR 253 (181) million. This increase resulted primarily from portfolio growth.

Net premiums earned, at EUR 758 (601) million, followed the trend in gross premiums written.

Gross expenses for insurance claims increased by EUR 239 million in the reporting period to EUR 1,406 (1,167) million, which was primarily due to the increased business volume and the increased gross expenses of the underlying business ceded to HDI Global SE.

As a consequence of the revised reinsurance structure, the gross loss ratio increased by 2.5 percentage points to 57.9% (55.4%). Net expenses for insurance claims increased by EUR 276 million and amounted to EUR 565 (289) million. The net loss ratio was 74.5% (48.1%).

Expenses for insurance operations increased on a gross basis by EUR 56 million to EUR 461 (405) million. This growth was mainly reflected in the EUR 49 million increase in commission expenses to EUR 346 (297) million, while administrative expenses increased by EUR 7 million to EUR 115 (108) million. At 19.0% (19.2%), the gross expense ratio was 0.2 percentage points lower than in the previous year. In contrast, net expenses grew slightly to EUR 161 (158) million. Given the increase in net premiums earned, the net cost ratio fell by 5.1 percentage points to 21.3% (26.4%).

The gross combined ratio reflects the above-mentioned developments and rose to 76.8% (74.6%), while the net figure deteriorated significantly to 95.8% (74.4%).

Overall, the assumed business recorded a slightly lower net underwriting result of EUR 25 (31) million. This includes an addition to the equalisation reserve in the amount of EUR 18 (129) million.

All-risk insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	1,308	336	1,213	264
Premiums earned	1,258	319	1,158	248
Expenses for insurance claims	637	264	502	214
Expenses for insurance operations	202	50	185	44
Underwriting result for own account		11		-5
In %				
Loss ratio	50.7	82.6	43.3	86.2
Expense ratio	16.1	15.7	16.0	17.8
Combined ratio	66.8	98.4	59.3	104.0

Liability insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	643	308	569	234
Premiums earned	616	291	547	238
Expenses for insurance claims	433	209	404	28
Expenses for insurance operations	121	71	107	66
Underwriting result for own account		7		31
In %				
Loss ratio	70.3	71.7	73.9	11.9
Expense ratio	19.7	24.2	19.6	27.9
Combined ratio	90.0	96.0	93.5	39.8

Engineering insurance

	2024	2024	2023	2023
EUR million	Gross	Net	Gross	Net
Premiums	249	65	205	58
Premiums earned	216	53	173	46
Expenses for insurance claims	121	38	113	44
Expenses for insurance operations	56	11	47	13
Underwriting result for own account		6		-9
In %				
Loss ratio	56.1	70.4	64.9	94.6
Expense ratio	25.8	21.0	27.3	28.0
Combined ratio	81.9	91.5	92.2	122.7

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 capitalises on 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

	2024	2024	2023	2023
EUR million, number	Gross prem.	Employees*	Gross prem.	Employees*
Germany, Hannover**	3,383	0	3,084	0
France, Paris	785	179	707	165
United Kingdom, London	560	141	501	139
Australia, Sydney	425	159	331	132
Belgium, Brussels	356	95	344	90
The Netherlands, Rotterdam	259	162	253	179
Italy, Milan	255	84	206	84
Switzerland, Zurich	232	81	204	71
Spain, Madrid	196	83	197	84
Singapore	181	47	165	40
Canada, Toronto	149	41	139	38
Denmark, Copenhagen	98	42	73	39
Japan, Tokyo	88	31	79	30
Ireland, Dublin	81	9	86	7
Greece, Athens	75	30	71	30
China, Hong Kong	50	34	41	31
Malaysia, Labuan	12	2	9	2
Portugal, Lisbon	7	3	0	0
Norway, Oslo	0	2	0	2
Total	7,193	1,225	6,490	1,163

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

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

Key processes in individual branches

The Portugal branch commenced business operations in 2024, specialising in the liability and fire insurance lines of business.

A sales office was opened in Dubai which operates on behalf of the Singapore branch. The goal is to drive expansion in the Middle East, particularly in the engineering, property and fire insurance lines of business.

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 78 million to EUR 785 (707) million.

Gross premiums in the UK branch increased by EUR 59 million to EUR 560 (501) million, which can be attributed primarily to rate increases and the expansion in the fire, liability and motor insurance segments.

The Australian branch increased its gross premiums by EUR 94 million to EUR 425 (331) million. This was due, in particular, to new business and premium adjustments in the engineering, fire and liability insurance lines of business.

Despite transferring the Portuguese portfolio to the new Portuguese branch, the Spanish branch was able to maintain its gross premiums at a constant EUR 196 (197) million.

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. This particularly benefited the branches in Italy, Switzerland and Denmark, which increased their premium volume to EUR 255 (206) million, EUR 232 (204) million and EUR 98 (73) million, respectively.

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 409 (288) million. This compares to current- year expenses in the amount of EUR 17 (15) million. The current result amounted to EUR 372 (273) million. Investments in interest-bearing instruments were increased due to the return of adequate income. In addition, reallocations were carried out within these asset classes.

The average rate of return* was 4.0% (2.9%).

Net realised gains and losses on the disposal of investments for the year under review were equal to EUR 1 (-82) million. Gains totalling EUR 90 (34) million on the disposal of long-term equity investments (EUR 68 million) and bearer bonds (EUR 21 million) were offset by losses of EUR 88 (116) million, primarily on the reallocation of bearer bonds (EUR 88 million). These investments were sold or reallocated in the ordinary course of business.

The cumulative balance of write-downs and reversals thereof amounted to EUR -5 (-1) million.

The net investment result totalled EUR 388 (190) million, as expected, and was thus significantly higher than in the prior year. The total net return** for the reporting period reached 3,9% (2.0%).

** 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

Other comprehensive income totalled EUR -128 (-120) million in the reporting period. While other income fell slightly to EUR 78 (81) million, other expenses rose to EUR 206 (201) million. This was mainly due to increased expenses incurred by the Company as a whole. Interest added to pension provisions totalled EUR 8 million, the same as in the prior year. In addition, the currency result was EUR -9 (-2) million.

Comprehensive income of HDI Global SE

	2024	2023
EUR million		
Underwriting result for own account	190	137
Total investment income (incl. underwriting interest income)	455	190
Result from other income/other expenses	-128	-120
Result from ordinary activities	**517**	**207**
Taxes	-105	-79
Profit/loss (-) transferred to Talanx AG	**412**	**128**

A year-on-year increase in profits of EUR 412 (128) 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 10,184 (9,683) 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 5,299 (5,475) million at the end of the year. This corresponded to a share of 52.0% (56.5%) of the total investments. Additional significant investment categories included bond funds at 17.2% (13.0%) as well as long-term equity investments and investments in affiliated companies at 24.7% (24.7%). 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 portfolio of bond funds increased to EUR 1,750 (1,259) 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 296 (231) million at the end of the year.

The portfolio of real estate amounted to EUR 163 (165) million.

The carrying amounts of investments in affiliated companies and long-term equity investments increased in the reporting period to EUR 2,517 (2,340) million. The carrying amounts of the investees HDI AI EUR Beteiligungs-GmbH, Cologne, and HDI AI USD Beteiligungs-GmbH, Cologne, increased to EUR 1,229 (1,133) 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 67 million.

Time deposits amounted to EUR 61 (97) million at the end of the year.

The market value of the investments as at the balance sheet date was equal to EUR 11,495 (10,139) million. This increase resulted primarily from the Company's organic growth.

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 594 million to EUR 9,631 (9,037) million. This line item primarily includes a provision for outstanding claims in the amount of EUR 7,757 (7,314) 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 capital investments. 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 2024 reporting period was largely characterised by ongoing 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 and the combined ratio were slightly above the prior-year level, however still slightly below expectations. The net expense ratio was below the level of the prior year, and we therefore 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 1,213 (1,133) employees. The part-time employment ratio was 10.9% (11.0%).

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). 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 have been outsourced to HDI AG. 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 Head of Risk Management's responsibilities include, among other duties, 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 compensation 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 mitigate 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	
2024	73.3
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

In particular, HDI Global SE mitigates the possible effects from underwriting risks of natural catastrophes and/or accumulation losses (risk accumulation) occurring at the same time by taking out adequate reinsurance coverage. 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 %	
2024	3.1
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

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 271.2 million. This represents 24.2% of gross receivables. On this basis, HDI Global SE had to recognise a write-down of 0.8% (0.9%) on average over the past three years as at the end of the reporting period. The average write-down on reinsurance receivables over the past three years is 1.3% (1.5%).

Reinsurance receivables outstanding for more than 360 days are reviewed annually. In order to avoid default on the part of reinsurers, reinsurance companies are also subject to regular reviews.

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	164.9	28.4
A	127.9	22.0
BBB	0.7	0.1
NON	286.9	49.4
of which captives	*76.6*	
Total	**580.4**	**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 portfolio management instruments. 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	
Stress test shares and alternative investments	
Share prices -20%	-67.4
Stress test interest	
Rise in yield +100 basis points	-314.4
Decline in yield -100 basis points	+345.8

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	3,840	54.5
Registered bonds/ Promissory note loans	579	8.2
Fixed income funds	1,750	24.8
Loans	880	12.5
Total	**7,049**	**100.0**
Rating AAA	1,431	20.3
Rating AA	1,095	15.5
Rating A	1,990	28.2
Rating BBB	2,079	29.5
Rating < BBB	46	0.7
n. r.	408	5.8
Total	**7,049**	**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 refer to losses that arise from inadequate or defective internal processes, or from events caused by employees, systems or external factors. In contrast to underwriting risks, which we enter into consciously and in a controlled manner, operational risks are inseparably linked with our business activities. Hence, the focus is on risk avoidance and reduction. To determine the capital tie-up in our internal model, we use a self-assessment of operational risks to describe and evaluate future operational loss scenarios.

Business process risks arise from inadequate internal processes, for example due to poor process organisation. HDI Global SE has set up an internal control system and a business process management system that establish minimum requirements as regards process organisation and clearly define responsibilities.

Checks and controls (e.g. peer reviews, file reviews) help to optimise and manage risks. We reduce these risks by continuously optimising, automating and standardising our processes. Data quality plays a critical role in success, which is why our data management organisation is implementing various initiatives to ensure and continuously improve data quality.

Business interruption risks result from natural or man-made hazards that threaten business operations. The aim is to return to normal operations as quickly as possible after an emergency, supported by existing contingency plans. The key frameworks and plans to restore business activities were developed on the basis of internationally recognised standards. Should an emergency occur, a crisis team takes on the role of a temporary management body.

Compliance risks include violations of standards and requirements that could result in lawsuits or administrative proceedings. Relevant topics include regulatory compliance, data protection and competition law aspects. Sanction screening software is used to filter payment transactions and identify sanctioned individuals or companies. The responsibilities within the compliance organisation are documented, and regular training programmes supplement the measures.

Outsourcing risks arise from the outsourcing of services to third parties. To limit this risk, risk analyses must be carried out prior to outsourcing any material activities. HDI Global SE benefits from synergies and harmonised standards through procurement within the Talanx Group. Intra-Group outsourcing is managed and monitored using established processes.

Fraud risks may arise from intentional violations by employees or external third parties. Our internal control system and line-independent internal audits help to mitigate risk. Further measures include the establishment of a whistleblowing hotline and regular external audits.

Personnel risks relate to the qualifications and motivation of our employees. To mitigate these risks, we place an emphasis on staff development, regular performance reviews and succession planning. We also identify risks at an early stage by monitoring turnover rates.

Information technology risks relate to the integrity, confidentiality and availability of IT systems and information. Cyberattacks increase IT risk. We are meeting these challenges by continuously improving our IT risk management and implementing organisational measures such as confidentiality agreements with service providers.

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 2025 in the Solvency and Financial Condition Report (SFCR) for the year ended 31 December 2024.

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. It can therefore not be ruled out that actual developments will deviate from the expected development shown here.

Economic climate

In 2024, the global economy continued to cool slightly in an environment of restrictive monetary policy, elections and changes of government in numerous countries, as well as ongoing geopolitical conflicts. We assume that this trend will continue in 2025. In particular, the stubborn (core) inflation rates in many countries are likely to make it difficult for central banks to lower their base rates, which have risen sharply in recent years, back to the low levels that would support the economy, like prior to the COVID-19 pandemic. In the emerging markets, growth will likely remain stable over the course of the year, while we expect developed economies to continue to cool slightly.

In the eurozone, we expect a slight acceleration in GDP growth thanks to improved purchasing power as a result of higher wages and stable inflation. Further interest rate cuts by the ECB in the course of the year are also likely to have a supportive effect, particularly as regards investment, while foreign trade is expected to prove a burden in view of potential trade disputes with the United States. In such an environment, the German economy is also likely to pick up again somewhat, but will hardly move beyond stagnation, as the gloomy mood among households and companies, the high level of political uncertainty and, in particular, higher energy prices, which are not expected to fall back to their levels before the outbreak of the war in Ukraine, will prove to be an obstacle.

In the United States, by contrast, tax cuts, deregulation and the protective effect of higher tariffs for domestic industry under the new US President Donald Trump will likely ensure that the economy will again grow much faster than that of the eurozone in 2025. While we expect negative aggregate economic growth effects from these protectionist trade policies to materialise only with a time lag from 2026 onwards, anticipatory effects and the more expansionary fiscal policy should help to keep inflation in the United States above the Fed's 2% inflation target. Consequently, the Fed has less scope for further rate cuts than the ECB. In light of this, it will probably not be possible to maintain the high rate of growth seen in recent years.

The main downside risk to the global economic outlook is the future trade policy of the United States and the associated countermeasures and diversion effects that could arise in the international exchange of goods. Potential risks also lurk in the face of unpredictable US politics, not to mention various geopolitical flashpoints (including Greenland, the Panama Canal, Israel, Ukraine and China/Taiwan). At the same time, these conflicts also harbour opportunities if lasting solutions can be found. To add to this, however, many countries (including France and Germany) are facing (potentially) more unstable coalition governments. A further downside risk is that a resurgence in inflation could prompt central banks to end their interest-rate cut cycles and consider raising base rates again in the course of 2025. The question of the sustainability of the substantial debt growth of recent years will likely come up not only in the United States this year, with possible additional fiscal support in Europe in response to US policy, which poses an upside risk to our growth outlook. Finally, a number of structural risks remain, including climate change, the stability of the Chinese economy and demographic change.

Capital markets

The combination of a weak economy and an inflation rate that is no longer far above the ECB's target of 2% should prompt the ECB to continue the cycle of interest rate cuts it began in June 2024 and to lower the deposit rate further this year from 3.00% to 1.75%. The Fed's scope for interest-rate cuts is considerably more limited, given the robust state of the economy and the more persistent inflation, so we expect only a slight further cut in the prime rate, from 4.50% to 4.00%.

Concerns about the inflationary impact of future US trade policy and a more expansive fiscal policy, and the associated increase in bond market issuance, have already caused the 10-year US Treasury yield to rise significantly towards 5% since last autumn. We expect that it will also remain in the range of 5.00% (±0.5 percentage points) during the course of the year, while we expect the German Bund yield to be 2.50% (±0.5 percentage points). As a result, we see only limited upside potential for equities. However, since we do not expect a severe recession, equity and corporate bond prices should be spared major setbacks, provided that geopolitical risks do not materialise.

International insurance markets

In the international property/casualty insurance business, we expect positive real premium growth in 2025, although this is likely to be slightly below the 2024 level due to a slowdown in price growth. In this context, we expect to see positive trends in both the developed insurance markets and the emerging markets. In particular, we expect that for the developed insurance markets and for China, premium growth in 2025 will be below the long-term average due to softer market conditions. In the emerging markets, however, we expect premium growth to be slightly above the long-term average, with volume effects continuing to be a key driver. Profitability in international property/casualty insurance should continue to recover in 2025 and exceed the level of 2024. We expect both investment income and underwriting income to continue to improve as investment yields continue to increase and private insurance premium rates become more reasonable.

German insurance industry
For the German insurance market, we expect a significant increase in premium growth compared to 2024.

In the property/casualty insurance business, we expect above-trend positive growth in premium income again in 2025, driven by inflation-related sum and premium adjustments.

HDI Global SE
In the 2024 financial year, we continued to systematically implement our long-term "HDI Global 4.0" strategy. The aim is to create a global underwriting organisation that capitalises on profitable growth opportunities in the international industrial insurance market over the entire market cycle.

In light of the fact that the stability of past decades has increasingly given way to a phase of change and transformation, HDI Global has adopted a new vision. As a "partner in transformation", HDI Global supports its customers through these pivotal changes, enabling them to invest in new areas, utilise emerging technologies and reduce their environmental footprint. An important element of the new vision is pooling our global expertise in the field of energy to support our customers' transformation and further expand our position as an underwriting champion.

In line with the "HDI Global 4.0" strategy, the focus remained on profitable growth in various international markets, which also included establishing and expanding branches outside the German market. An ability to make decisions within the value chain quickly and to be close to our customers and partners are central guiding principles of the operating model. This also includes serving the needs of customers and partners for complex insurance solutions holistically as a one-stop shop organisation.

Another strategic focus was the reorganisation of the global claims organisation and the creation of a separate area of responsibility for claims at Board of Management level. The aim was to pool expertise, create lean structures and uniform processes, and ensure that knowledge is systematically transferred between risk consulting and the underwriting and claims organisation.

The use of artificial intelligence (AI) is becoming increasingly important in the insurance industry. For this reason, numerous projects are being actively pursued to deepen knowledge in the organisation and to increasingly develop value-adding and scalable use cases.

The development of HDI Global SE's corporate culture continued successfully in the reporting period. To this end, the Company conducted its first-ever global employee engagement survey. The very encouraging results show that the decision to focus on people and employee engagement was both timely and important. Thanks to the high level of participation in the engagement survey, we have obtained validated results about what specifically motivates employees in their working environment and can thus continuously improve HDI Global SE.

Looking ahead, we expect the pace of interest rate cuts to slow in most major economies in 2025. It is likely that the reinvestment of maturing investments will generate a slightly higher return than the book yield. As a result, we expect a slight increase in the investment result compared to 2024.

Nevertheless, HDI Global SE's underwriting result improved slightly. For 2025, we expect a slight improvement in both premiums and the underwriting result. Overall, we expect earnings to be on a par with the prior 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

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 possess both risk models for assessing risks from natural disasters as well as extensive expertise in the field of 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. We have also published a green bond framework which allows us to issue green bonds. We issued our first green bond on the market in December 2021. Green bonds are an important element of meeting the sustainability targets we have set ourselves such as carbon neutrality and ESG conformity. In addition, we also expect green bonds to offer interest rate discounts compared to traditional bonds, ultimately increasing our company's profits.

Should the demand for insurance for these developments and the demand for green bonds rise faster than expected, this could have a positive impact on our premium growth and financial performance, and could lead to us exceeding our forecasts.

Opportunities created by the Company

Digitalisation

Hardly any other trend is changing the insurance industry as profoundly as digitalisation, with business processes and models being fundamentally redesigned through the use of IT systems. This development is crucial, particularly as regards the competitiveness of insurers. It is opening up new opportunities for communicating with customers, processing insurance claims, analysing data and tapping into new areas of business.

We are conducting numerous projects to drive the digital transformation. This also includes creating added value through artificial intelligence (AI). For years, the experts at HDI Global SE have been using AI models that generate clear results from structured data. However, with its proprietary generative AI solution Chat@HDI, the Group has created the opportunity to gain insights from unstructured data in text or image form in real time in order to support employees. Clear benefits for customers and employees are already emerging, above all time savings through optimised processes that comply with data protection and compliance requirements. These include, in particular, the European Union's Artificial Intelligence (AI) Act. It came into force on 1 August 2024, and most of its provisions must be implemented by 2 August 2026. It aims to regulate the development and use of AI in the EU, protecting the fundamental rights of individuals and groups and increasing trust in this technology. At the same time, the regulations promote innovation by providing clear guidelines.

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, which could lead to us exceeding our forecasts.

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 insurer, in order to keep up with the speed of these changes, it is necessary for the Group to transform itself into an agile organisation. For us, being an agile organisation means being a learning organisation that puts the customer's benefit at the centre of its activities in order to increase the Group's profits. For this reason, we rely on interdisciplinary and creative teams, open and direct communication and flat hierarchies as well as practising the art of dealing with errors. Through numerous initiatives, we are supporting the transformation of our Group into an agile organisation. We design our workplaces in a way to shorten paths of communication and promote interdepartmental exchange. 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 achieve a better work-life balance while at the same time maintaining face-to-face interaction 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 in an agile manner and can grow with new challenges. Finally, when customers are satisfied and employees can leverage their full potential, investors benefit from increasing corporate profits.

If our transformation into an agile organisation is implemented more quickly than expected, this could have a positive impact on premium growth and profitability, causing us to exceed our forecasts.

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 decentralised 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 Company aims to further increase the share of international business in its overall portfolio, supported by broad-based digitalisation measures. Furthermore, we serve as a one-stop shop for our customers by offering solutions in the commercial and specialty lines of insurance.

As a traditional and experienced industrial insurer, we possess the necessary expertise and have implemented the corresponding processes and working methods to capitalise on 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.

Scope of business operations

Branches

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

International

Athens, Brussels, Copenhagen, Dublin, Hong Kong, Labuan, Lisbon, 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

All-risk insurance

Marine insurance

Casualty insurance

Comprehensive householders insurance

Comprehensive residential building insurance

Other property insurance

Other non-life insurance

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. In line with the guiding principle "BeYou. Together we are traditionally different", HDI Global SE is committed to enshrining diversity, equity and inclusion (DE&I) in its strategy. Our commitment to DE&I and the strategy we have adopted are reflected in a range of activities and actions that have already been initiated and are increasingly being established across the Group: A DE&I policy with six principles as a supplement to 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 is a key goal of the DE&I strategy adopted in 2021. In German-speaking countries, inclusive language was introduced with a focus on gender and gender identity. Employees can take advantage of various offerings, including training and lectures with a DE&I focus. In recent years, various networks have emerged from employee initiatives. These include Pride@HDI, Parents@HDI, the BIPoC Community and the International Community.

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. A women's network, Women@Talanx, has existed since 2016, offering women in the Group a platform to exchange ideas and support each other. In order to attract female talent to HDI Global SE at an early stage, we endeavour to achieve a balanced gender distribution as early as the trainee recruitment stage.

To ensure that employees are healthy and capable of carrying out their duties, the workforce in Germany has access to a comprehensive range of preventive services as part of a holistic health management programme. The HDI Health Year programme focused on various topics this reporting period, providing employees with important insights and inspiration to keep their own health on track. 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 available to employees to help them balance their work and family life, such as assistance in finding child care, a company daycare centre in Hannover, parent-child offices, holiday and leisure activities, and support, in cooperation with partners, for those caring for relatives.

Equal pay
Remuneration is paid independent of gender. Employees working for HDI Global SE receive remuneration in Germany in accordance with the collective wage agreement in place for the private insurance industry. They receive a 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.

Balance sheet as at 31 December 2024

Assets			**31.12.2024**	**31.12.2023**
EUR thousand				
A. Intangible fixed assets				
I. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets			785	660
B. Investments				
I. Land, land rights and buildings, including buildings on third-party land		162,868		165,378
II. Investments in affiliated companies and other equity investments				
1. Shares in affiliated companies	2,370,240			2,207,826
2. Loans to affiliated companies	850,262			639,065
3. Other long-term equity investments	147,181			133,055
4. Loans to other long-term investees and investors	29,856			31,466
		3,397,539		**3,011,412**
III. Other investments				
1. Shares, interests or shares in investment funds and other floating-rate securities	2,144,020			1,605,183
2. Bearer bonds and other fixed-interest securities	3,840,043			4,157,866
3. Mortgages, land charges and annuity land charges	293			300
4. Other loans				
a) Registered bonds	443,334			506,657
b) Notes receivable and loans	135,577			139,680
5. Deposits with financial institutions	60,505			97,451
		6,623,773		**6,507,138**
IV. Deposits retained by ceding companies on busniess accepted for reinsurance		14,506		13,397
			10,198,686	**9,697,324**
C. Receivables				
I. Receivables arising from direct written insurance business, due from:				
1. Policy holders	362,410			438,315
2. Intermediaries	748,874			592,072
		1,111,284		**1,030,387**
II. Receivables on reinsurance business of which due to affiliated companies: EUR 199,396 (124,702) thousand of which other long-term investees and investors: EUR 111 (15) thousand		576,625		421,452
III. Other receivables of which due to affiliated companies: EUR 275,258 (164,639) thousand		1,115,025		866,155
			2,802,933	**2,317,995**
D. Other assets				
I. Tangible fixed assets and inventories		10,434		10,027
II. Cash at banks, cheques and cash-in-hand		1,041,394		543,93
			1,051,827	**553,958**
E. Accrued or deferred items				
I. Deferred rent and interest income		65,489		61,880
II. Other prepaid expenses		3,909		4,769
			69,399	**66,650**
F. Excess of plan assets over post-employment benefit liability			0	0
Total assets			**14,123,630**	**12,636,587**

Equity and liabilities			**31.12.2024**	**31.12.2023**
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	2,012,246			1,758,400
2. less: share for business ceded for reinsurance	1,216,712			1,054,631
		795,534		**703,769**
II. Provision for outstanding claims				
1. Gross amount	15,780,989			14,670,043
2. less: share for business ceded for reinsurance	8,023,779			7,356,056
		7,757,210		**7,313,987**
III. Provision for profit-related and non-profit-related premium refunds				
1. Gross amount	7,183			2,668
2. less: share for business ceded for reinsurance	171			641
		7,013		**2,027**
IV. Equalisation reserve and similar provisions		1,021,820		962,059
V. Other underwriting provisions				
1. Gross amount	69,671			73,052
2. less: share for business ceded for reinsurance	20,611			17,710
		49,061		**55,342**
			9,630,637	**9,037,185**
D. Other provisions				
I. Provisions for pensions and similar obligations		491,927		512,805
II. Provisions for taxes		91,965		75,409
III. Other provisions		104,395		85,301
			688,288	**673,516**
E. Deposits retained on reinsurance ceded			216,846	157,117
F. Other liabilities				
I. Liabilities from direct written insurance business due to:				
1. Policy holders	146,279			114,219
2. Intermediaries	227,909			213,199
		374,188		**327,417**
II. Payables on reinsurance business of which due to affiliated companies: EUR 104,239 (214,923) thousand of which other long-term investees and investors: EUR 15 (33) thousand		583,906		706,287
III. Other liabilities of which taxes: EUR 78,271 (75,656) thousand of which social security: EUR 1,407 (1,991) thousand of which due to affiliated companies: EUR 1,140,656 (302,904) thousand		1,838,217		944,326
			2,796,311	**1,978,030**
G. Deferred and accrued items			2,505	1,696
Total equity and liabilities			**14,123,630**	**12,636,587**

The annuity provision recognised on the balance sheet as at the close of the 2024 financial year under equity and liabilities C.II. is equal to EUR 59.967.116,64. 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, 16 January 2025 The Responsible Actuary Britta Quiel

Income statement for the period from 1 January to 31 December 2024

I. Underwriting account			**2024**	**2023**
EUR thousand				
1. Premiums earned for own account				
a) Gross written premiums	7,193,009			6,490,433
b) Premiums ceded to reinsurance	4,674,798			4,183,427
		2,518,211		2,307,007
c) Change to the gross premium reserve unearned	-238,740			-292,652
d) Adjustment of reinsurers' share in gross premiums unearned	-151,508			-237,614
		-87,232		-55,037
			2,430,979	2,251,969
2. Underwriting interest income for own account			112	109
3. Other underwriting income for own account			7,633	7,137
4. Expenses on insurance claims for own account				
a) Claims payments				
aa) Gross amount	3,571,822			2,890,544
bb) Reinsurers' share	2,165,943			1,592,585
		1,405,879		1,297,959
b) Changes to the provision for outstanding claims				
aa) Gross amount	965,958			471,035
bb) Reinsurers' share	590,080			252,777
		375,878		218,258
			1,781,757	1,516,216
5. Change to other net underwriting provisions			-5,921	3,811
6. Expenses for profit-related and non-profit related premium refunds for own account			9,277	7,533
7. Expenses for insurance operations for own account				
a) Gross expenses for insurance operations		1,158,501		1,064,109
b) less: commissions and profit commissions received for business ceded to reinsurance		773,545		646,397
			384,955	417,712
8. Other underwriting expenses for own account			18,967	18,261
9. Subtotal			**249,688**	**295,683**
10. Changes to equalisation reserve and similar provisions			-59,761	-158,535
11. Underwriting result for own account			**189,927**	**137,148**

II. Non-underwriting account			**2024**	**2023**
EUR thousand				
1. Investment income				
a) Income from long-term equity investments of which from affiliated companies: EUR 149,732 (3,816) thousand	161,668			14,617
b) Income from other investments of which from affiliated companies: EUR 24,573 (22,725) thousand				
ba) Income from land, land rights and buildings, including buildings on third-party land	13,987			12,946
bb) Income from other investments	233,345			187,489
c) Income from reversal of write-downs	76			13,047
d) Gains on disposal of investments	89,595			22,529
e) Income from profits received under profit pooling, profit-or-loss transfer, or partial profit transfer agreements	67,262			72,792
		565,932		323,421
2. Investment expenses				
a) Investment management expenses, interest expenses and other expenses related to capital investments	14,244			11,093
b) Write-downs of investments	8,329			6,211
c) Losses on disposal of investments	88,498			115,857
d) Cost of loss absorption	0			5
		111,071		133,166
		454,861		190,255
3. Underwriting interest expenses		112		109
			454,749	190,146
4. Other income		78,396		81,274
5. Other expenses		206,498		201,398
			-128,101	-120,125
6. Result from ordinary activities			516,575	207,170
7. Taxes on income		96,492		50,706
8. Other taxes		8,237		28,505
			104,729	79,211
9. Loss transfer		-		-
10. Profit transferred on the basis of profit pooling, profit-and-loss-transfer, or partial profit transfer agreements		411,846		127,959
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 2024 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 participating interests 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 companies in which an ownership interest exists were measured at amortised cost using the effective interest method in accordance with section 341c(3) HGB. Investments were recognised at the buying price upon acquisition. The difference in comparison to the redemption amount was amortised using the effective interest method. Necessary write-downs were carried out in accordance with 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 as at the end of the reporting period. The requirement to reverse write-downs was observed (section 341b(2) HGB in conjunction with sections 255(1) and 253(1) sentence 1, 253(4) as well as 253(5) HGB). Securities designed to serve as a permanent part of business operations are measured in accordance with the provisions applicable for fixed assets pursuant 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, 253(3) sentence 5 HGB).

Permanent impairment was written down through profit or loss. Issuer credit ratings and rating trends were used to assess whether there were indications of permanent impairment in relation to bearer bonds and other fixed-interest securities, as well as for debt securities held via funds that are recognised as fixed assets. The recognition criteria recommended by the Insurance Committee of the IDW (VFA) were used to determine whether the impairment in value of publicly traded equities, shares or units of investment funds investing in equities, in particular, was likely to be permanent. This states that permanent impairment exists if the fair value of a security is 20% below the carrying amount on a permanent basis in the six months previous to the end of the reporting period or the average daily stock market price has been more than 10% below the carrying amount for the last 12 months. The assessment of the probable permanence of an impairment in the value of shares or shares in investment funds in the event of an unrealised loss on the investment unit as at the end of the reporting period was based on the assets held in the fund ("look-through approach").

In the case of securities acquired at a premium or discount, the difference was amortised over the term using the effective interest method.

Mortgages, land charges and annuities, as well as registered bonds, notes receivable and loans, were recognised at amortised cost (section 341c(3) HGB). In this context, investments were recognised at the purchase price or payout amount upon acquisition. The difference in comparison to the redemption amount was amortised using the effective interest method. Necessary depreciation and amortisation required was taken in accordance with the less strict lower-of-cost-or-market principle (section 341b(2) second half-sentence HGB in conjunction with section 253(1) sentence 1, (3) sentence 5 HGB).

Derivatives were generally measured at the lower of cost or fair value as at the end of the reporting period. In the event of negative fair values as at the end of the reporting period, provisions for impending losses from pending transactions were recognised.

The portfolio contains structured products in the form of bearer bonds, registered bonds, promissory notes and loans, as well as loans to affiliated companies. They were carried and measured according to the line item in which they are reported. Structured products in the portfolio are financial instruments where the underlying instrument is contractually linked to a unit in the form of a fixed-income cash instrument with one or more derivatives. Provided the requirements of IDW AcP AAB 22 were satisfied, they were generally 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).

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.

Accounts receivable from reinsurance business and other receivables were capitalised at their nominal amounts. The general default risk in accounts receivable from reinsurance business 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

Tangible fixed assets and inventories were recognised at cost and 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 were 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 arising from temporary differences (including those arising from the provisions for outstanding claims) were netted separately for each country against deferred tax assets arising from temporary differences (in particular from the different accounting treatments of equalisation provisions under commercial and tax law) and against deferred tax assets on tax loss carryforwards of all foreign branches. 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

	2024
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
Portugal, Lisbon	21.0
Singapore (onshore / offshore)	17.0/10.0
Switzerland, Zurich	16.7
Ireland, Dublin	15.0
China, Hong Kong	8.3

Equity and liabilities

Equity

The subscribed capital and the capital reserves in equity were recognised at nominal value.

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 insurance of nuclear facilities and terrorism risks was calculated in accordance with sections 30(2) and 30(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.

A provision for impending losses from directly written insurance business or insurance business accepted for reinsurance in accordance with section 31(1) no. 2 RechVersV is recognised under other underwriting provisions if there is a negative balance between the expected income for the contracts for which a legal obligation exists as at the end of the reporting period 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
Pursuant to section 253(1) sentence 2 HGB pension liabilities were recognised at the settlement amount determined in accordance with the principle of prudence and have been discounted in accordance with section 253(2) sentence 2 HGB over an assumed remaining life of 15 years, using the average interest rate for the last ten years forecast on 31 December 2024 as published by the German Bundesbank in accordance with German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung; RückAbzinsV) on 30 September 2024.

The principles set out in IDW RH FAB 1.021 apply to the measurement of provisions for insurance covered direct pension commitments.

Pension provisions for non-insurance covered employer-funded commitments were determined using the projected unit credit method, with the Aktivprimat method (pension provisions measured at the pension liability value) and the Deckungskapitalverfahren (plan assets method) selected for insurance covered employer- funded commitments. Pension provisions for employee-funded commitments not contingent on securities were calculated in accordance with the projected unit credit method, unless the benefits are covered by pension liability insurance. For the insurance covered benefits, the settlement amount corresponds to the fair value of the plan assets of the life insurance agreement plus surplus participation. The adjustment of benefits for commitments from deferred remuneration based on the expected future surplus participation of the reinsurance policies was taken into account for each individual contract.

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 details on trend assumptions, the discount rate and the difference in accordance with section 253(6) HGB are provided in section D. I. of this report, Provisions for pensions and similar obligations. Depending on the life insurance provider, the total expected return required to measure insurance covered direct pension commitments is between 3.30% and 3.60%.

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 surplus participation.

Provisions for taxes and other provisions take into account all identifiable risks and uncertain obligations and were recognised at the required 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 end of the current reporting period.

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 were 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 were 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 were primarily non-current assets, underwriting provisions and noncurrent liabilities.

Foreign currencies are generally translated regardless of the restrictions of the historical cost convention and the realisation principle.

Any currency surpluses were analysed to determine whether they were long-term or short-term. Long-term surpluses were combined with foreign currency forwards in separate hedging relationships in accordance with section 254 HGB and were generally translated independent of the restrictions of the historical cost convention and the realisation principle. In the reporting period, long-term currency surpluses were recorded for the Swiss franc and Australian dollar.

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

Short-term 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 2024 financial year

EUR thousand	Balance sheet amounts for the prior year	Additions
A. Intangible fixed assets		
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	660	283
B. I. Land, land rights and buildings, including buildings on third-party land	165,378	725
B. II. Investments in affiliated companies and long-term equity investments		
1. Shares in affiliated companies	2,207,826	677,661
2. Loans to affiliated companies	639,065	429,365
3. Long-term equity investments	133,055	14,263
4. Loans to other long-term investees and investors	31,466	–
Total B. II.	**3,011,412**	**1,121,290**
B. III. Other investments		
1. Shares, shares in investment funds and other non-fixed interest securities	1,605,183	697,107
2. Bearer bonds and other fixed interest securities	4,157,866	2,325,153
3. Mortgages, land charges and annuity land charges	300	–
4. Other loans		
a) Registered bonds	506,657	6,647
b) Promissory notes and loans	139,680	16,724
5. Deposits with financial institutions	97,451	–
Total B. III.	**6,507,138**	**3,045,632**
Total	**9,684,588**	**4,167,930**

Disposals	Exchange rate fluctuations	Reversal of write-downs	Amortisation, depreciation and write-downs	Balance sheet values for the financial year	Market values 31.12.2024
–	-2	–	157	785	n/a
–	–	–	3,235	162,868	216,710
541,133	26.129	–	244	2,370,240	3,581,255
221,224	3,055	–	–	850,262	822,675
–	-137	–	–	147,181	243,368
1,289	-320	–	–	29,856	31,007
763,646	28,727	–	244	3,397,539	4,678,305
156,295	1,049	11	3,035	2,144,020	2,165,508
2,662,823	21,597	65	1,815	3,840,043	3,831,896
7	–	–	–	293	271
69,970	–	–	–	443,334	412,697
20,827	–	–	–	135,577	129,184
39,169	2,223	–	–	60,505	60,505
2,949,091	24,869	76	4,850	6,623,773	6,600,062
3,712,736	53,594	76	8,486	10,184,965	11,495,077

B. Investments

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 newly acquired or built properties and buildings, as well as those under construction, the acquisition and production costs were recognised in the first year after acquisition, provided that there were no indications of a probable permanent impairment, and in the second year after acquisition, the values determined by an external, publicly sworn expert were recognised.

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 calculating the fair values of shares in affiliated companies and participating interests, the entities measured using the income capitalisation approach were carried at the present value of the future distributable financial surpluses as standard. For companies that invest in equity instruments not traded on the capital markets (private equity, real estate funds and other alternative investments), the net asset value method was used to measure their value similar to instruments held directly.

The fair values of loans to affiliated companies and to companies in which a participating interest is held, registered bonds, promissory notes and loans, mortgages, land charges and annuities, other loans as well as loans and advance payments on insurance policies were measured using a net present value method with the help 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. The fair value of zero-coupon bonds and zero-debt-security receivables is determined on the basis of the Company's own calculations using mathematical finance methods.

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 measured at maximum at their expected realisable value in accordance with the principle of prudence. The fair values of the special funds held in the portfolio corresponded to the calculated redemption price.

When calculating the fair value of bonds held in special funds and recognised as fixed assets, the bonds were carried at amortised cost provided there were no indications of a probable permanent impairment in value. For this purpose, the creditworthiness of the issuer and the trend in its ratings were considered. Default securities and securities whose market value was less than 50% of the nominal value were always written down to their lower market value.

As regards mixed funds and special funds reported as fixed assets, the fair value of the individual components, such as shares and bonds, was determined separately using the methods described above. The fair value of the funds described also included the other constituents of the fund, such as liquid assets (nominal value), interest accruals, receivables and liabilities (carrying amount).

The fair values of the private equity, infrastructure and real estate funds recognised as investments or shares in investment funds were determined on the basis of the most recent net asset value reported by the general partner (capital account), which was extrapolated up to the end of the reporting period to reflect calls and distributions that had occurred in the interim.

When calculating the fair value of swaps, the discounted cash flow method is applied separately to both legs of a swap. As regards the fixed-rate leg, the entire cash flow is rolled out until final maturity; as regards the variable-rate leg, the cash flow is rolled out until the next interest rate adjustment date. Adding the present values (taking into account the sign for the long/short position) yields the theoretical price or the current receivables and payables position for the entire swap transaction.

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 2024. The fair value as at 31 December 2024 is EUR 216,710 thousand.

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

	Carrying amounts 31.12.2024	Market values 31.12.2024
EUR thousand		
Shares, shares in investment funds and other non-fixed interest securities	1,061,711	1,029,836
Bearer bonds and other fixed interest securities	1,431,804	1,365,299
Total	**2,493,515**	**2,395,135**

A write-down in the amount of EUR 98,380 (267,770) 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.

The 20 per cent trigger recommended by the Insurance Committee of the IDW (VFA) is used to determine whether the impairment of the shares, units or shares in investment funds is likely to be permanent. 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 is available, the assessment of the likely permanence of an impairment for units or shares in investment funds is based on the assets held in the fund if there is an unrealised loss on the investment unit as at the end of the reporting period.

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	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
	As of the balance sheet date, hedging relationships in the total amount of EUR 1,865 million were recognised and broken down to the following major currencies:			
	US dollar	EUR 594 million		
	Australian dollar	EUR 361 million		
	Pounds sterling	EUR 321 million		
	Canadian dollar	EUR 234 million		
	Swiss franc	EUR 232 million		
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 Swiss franc 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 4,902 thousand (EUR 2,803 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 %. The are no restrictions on the option of daily redemption.

	Balance sheet values 31.12.2024	Market values 31.12.2024	Distribution 31.12.2024
EUR thousand			
Bond funds			
EURO-RENT 3 Master	1,596,140	1,587,135	24,700
Subtotal Bond fund	**1,596,140**	**1,587,135**	**24,700**
Equity funds			
HDI Global SE Absolute Return	525	507	0
HDI Globale Equities	296,122	346,755	8,106
Subtotal Equity funds	**296,647**	**347,262**	**8,106**
Total	**1,892,786**	**1,934,396**	**32,806**

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 5,513,010 (5,133,903) thousand as fixed assets. EUR 2,143,692 (1,604,866) thousand of this amount can be attributed to shares, interests or shares in investment funds and other floating rate securities and EUR 3,369,318 (3,529,037) 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
Augusta Ireland 4 Limited Partnership, Dublin[4]	100.00	EUR	–155	–156
Augusta Ireland 6 Limited Partnership, Dublin[4]	100.00	EUR	–82	–83
Caplantic AIF, SICAV-SIF S.C.Sp., Luxembourg[2]	24.71	EUR	9,567	–7,964
Danae, Inc., Los Angeles[4]	100.00	USD	326	200
DUNSTAN AB, Jönköping[4]	17.14	SEK	240	–13,847
EIP Gas TransitSwitzerland SCS, Luxembourg[3]	16.31	EUR	152,301	–5,871
EIP Wind Power Central Norway SCS[4]	10.96	EUR	125,223	1,040
Extremus Versicherungs-Aktiengesellschaft, Cologne[4]	13.00	EUR	62,760	1,519
Falcon Risk Holdings LLC, Dallas[4]	80.00	USD	464	–7,032
Ferme Eolienne des Mignaudieres SNC, Toulouse[4]	99.99	EUR	16,187	774
Funderburk Lighthouse Limited, Grand Cayman[4]	100.00	EUR	55,244	–3,547
HDI AI EUR Beteiligungs-GmbH, Cologne[4]	100.00	EUR	757,218	41,219[5]
HDI AI USD Beteiligungs-GmbH, Cologne[4]	100.00	EUR	437,708	16,878[5]
HDI Global Insurance Company, Chicago[4]	100.00	USD	385,120	29,643
HDI Global Insurance Limited Liability Company, Moscow[4]	100.00	RUB	473,705	–11,627
HDI Global Legal Expenses Claims Management GmbH (vormals: HDI Global Specialty Schadenregulierung GmbH), Hannover[4]	100.00	EUR	27	8[5]
HDI Global Network AG, Hannover[4]	100.00	EUR	231,564	13,393[5]
HDI Global Network AG Escritório de Representaçao no Brasil Ltda, São Paulo[4]	100.00	BRL	140	–274
HDI Global SA Ltd., Johannesburg[4]	100.00	ZAR	88,143	10,819
HDI Global SE - UK Services Limited, London[4]	100.00	GBP	-	-
HDI Global Select Insurance Company, Indianapolis[6]	100.00	USD	-	-
HDI Global Seguros S.A., Mexico City[4]	100.00	MXN	279	23
HDI Global Seguros S.A., São Paulo[4]	100.00	BRL	168,235	25,726
HDI Global Specialty SE, Hannover[4]	100.00	EUR	249,949	–29,749
HDI Reinsurance (Ireland) SE, Dublin[4]	100.00	EUR	505,738	129,932
HDI Risk Consulting GmbH, Hannover[4]	100.00	EUR	1,626	1,302[5]
HDI Specialty Insurance Company, Chicago[4]	100.00	USD	88,599	16,572
HDI Versicherung AG, Vienna[4]	89.74	EUR	40,691	10,159
hector digital GmbH, Cologne[4]	19.00	EUR	119	-
Heuberg S.L., Barcelona[4]	15.00	EUR	15,119	1,986
HG Cross 1 GmbH und Co. KG, Hannover[6]	100.00	EUR	-	-
IVEC Institutional Venture and Equity Capital GmbH, Cologne[4]	23.80	EUR	13,555	1,027
Le Souffle des Pellicornes S.N.C, Lille	100.00	EUR	16,573	1,552
Petro Vietnam Insurance Holdings Joint Stock Corporation, Hanoi[4]	54.99	VND	7,175,385,638	788,491,978
Riethorst Grundstücksgesellschaft AG & Co. KG, Hannover[4]	50.00	EUR	25	7,009
Sustainable Timber Asia GmbH, Cologne	17.39	EUR	-	-
Svedea AB, Stockholm[4]	100.00	SEK	253,456	34,972
Svedea Skadeservice AB, Stockholm[4]	100.00	SEK	50	354
Talanx Infrastructure France 1 GmbH, Cologne[4]	100.00	EUR	38,287	472
Talanx Infrastructure Portugal GmbH, Cologne[4]	30.00	EUR	732	–7
Teko - Technisches Kontor für Versicherungen GmbH, Dusseldorf[4]	12.00	EUR	145	34
VOV GmbH, Cologne[4]	38.00	EUR	4,952	871
Windfarm Bellheim GmbH & Co. KG, Cologne[4]	15.00	EUR	43,466	6,058
Windpark Vier Fichten GmbH & Co. KG, Cologne[4]	100.00	EUR	6,683	2,222
WP Berngerode GmbH & Co. KG, Cologne[4]	20.00	EUR	33,003	5,531
WP Mörsdorf Nord GmbH & Co. KG, Cologne[4]	25.00	EUR	24,136	4,889
Zweite Riethorst Grundstücksgesellschaft AG & Co. KG, Hannover[4]	50.00	EUR	123,915	1,742

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 2022
3) Carrying amounts as at 30 June 2024
4) Carrying amounts as at 31 December 2023
5) A profit-and-loss transfer agreement is in effect.
6) Carrying amounts as at 31 December 2024

C. III. Other receivables

EUR thousand	31.12.2024	31.12.2023
Claims payments/Co-insurance/Share of losses attributable to other companies	680,143	557,583
Receivables from affiliated companies	275,258	164,639
Payments not yet assigned	68,566	41,595
Receivables from tax authorities	50,762	56,916
Receivables due to timing differences in accounting entries	14,683	15,160
Receivables from the service business	12,354	9,565
Receivables for incidental expenses incurred in connection with real estate	2,859	2,254
Receivables from security deposits, sureties and loan collaterals	2,397	5,554
Receivables Cash Collaterals	1,170	7,630
Receivables from insurance pools	134	152
Miscellaneous	6,697	5,108
Total	**1,115,025**	**866,155**

Receivables from affiliated companies relate to receivables from HDI AI EUR Beteiligungs-GmbH in the amount of EUR 23,524 (41,219) thousand, from HDI AI USD Beteiligungs-GmbH in the amount of EUR 19,966 (16,878) thousand, HDI Global Network AG in an amount of EUR 41,547 (13,393) thousand and HDI Risk Consulting GmbH in an amount of EUR 1,931 (1,302) thousand and HDI Global Legal Expenses Claims Management GmbH in an amount of EUR 7 (0) thousand from profit transfers.

D. I. Tangible fixed assets and inventories

EUR thousand	2024	2023
Balance as at 01.01.	10,027	11,385
Additions	3,112	2,112
Disposals	375	919
Amortisation, depreciation and write-downs	2,282	2,565
Exchange rate fluctuations	-49	15
Balance as at the end of the financial year	**10,434**	**10,027**

E. I. Deferred rent and interest income

Accruals and deferrals were recognised exclusively for interest amounting to EUR 65,489 (61,880) thousand.

E. II. Other prepaid expenses

Other prepaid expenses in the amount of EUR 3,909 (4,769) 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

	31.12.2024	31.12.2023
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

	31.12.2024	31.12.2023
EUR thousand		
Direct written insurance business		
Casualty insurance	286,153	269,793
Liability insurance	7,188,518	6,542,576
Motor third-party liability insurance	1,051,085	975,416
Other motor insurance	156,815	187,239
Fire and property insurance	2,024,924	1,704,504
of which:		
a) Fire insurance	563,290	478,480
b) Engineering insurance	1,353,059	1,145,637
c) Other property insurance	108,574	80,387
Marine and aviation insurance	731,774	719,617
Legal protection insurance	1,314,557	1,500,995
All-risk insurance	59,496	64,180
Other insurance	194,938	179,716
Total	**13,008,260**	**12,144,035**
Business accepted for reinsurance	5,883,650	5,322,187
Total insurance business	**18,891,910**	**17,466,222**

Of which:

a) Gross provision for outstanding claims: EUR 15,780,989 (14,670,043) thousand

b) Equalisation reserve and similar provisions: EUR 1,021,820 (962,059) thousand

C. II. 1. Gross provision for outstanding claims

	31.12.2024	31.12.2023
EUR thousand		
Direct written insurance business		
Casualty insurance	221,559	210,927
Liability insurance	6,575,902	6,072,377
Motor third-party liability insurance	1,000,206	932,489
Other motor insurance	107,890	100,508
Fire and property insurance	1,455,624	1,188,311
of which:		
a) Fire insurance	390,828	296,437
b) Engineering insurance	971,359	825,891
c) Other property insurance	93,437	65,982
Marine and aviation insurance	609,572	589,349
Legal protection insurance	1,024,976	1,218,883
All-risk insurance	56,229	60,851
Other insurance	174,779	161,986
Total	**11,226,736**	**10,535,682**
Business accepted for reinsurance	4,554,253	4,134,361
Total insurance business	**15,780,989**	**14,670,043**

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

This item amounts to EUR 7,183 (2,668) thousand and, as in the previous year, relates exclusively to non-performance-related premium refunds.

C. IV. Equalisation reserve and similar provisions

	31.12.2024	**31.12.2023**
EUR thousand		
Direct written insurance business		
Casualty insurance	16,049	15,475
Liability insurance	223,241	116,315
Other motor insurance	21,158	64,494
Fire and property insurance	140,274	151,857
of which:		
a) Fire insurance	140,057	151,707
b) Other property insurance	217	150
Marine and aviation insurance	51,335	62,221
Total	**452,058**	**410,362**
Business accepted for reinsurance	569,762	551,697
Total insurance business	**1,021,820**	**962,059**

D. I. Provision for pensions and similar obligations

	2024	2023
EUR thousand		
Balance as at the start of the financial year	512,805	523,053
Change	-28,000	-18,108
Accrued interest / interest rate change	7,122	7,861
Balance as at the end of the financial year	**491,927**	**512,805**

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 2.14% (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 1.90% (1.83%) published by the Bundesbank on 30 September 2024 and forecast for 31 December 2024. The discount rate applied in the measurement of pension obligations at the UK branch is 3.03% (2.94%). Pension increases were factored into the calculation at 3.09% (3.10%).

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 2024 was EUR 536,879 (557,290) thousand. The fund held to cover this amount was accounted for at fair value of EUR 46,220 (45,866) 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 54,104 (48,949) thousand.

The settlement amount for the employee-funded provision for pensions was EUR 4,104 (4,562) thousand. The plan assets eligible for offsetting, amounting to EUR 2,908 (3,253) thousand, comprise claims under reinsurance policies, which were offset against the liabilities in the amount of EUR 2,908 (3,253) thousand. Amortised cost, taking into account the lower-of-cost-or-market principle, and thus fair value within the meaning of section 255(4) sentence 3 HGB, correspond to what is known as the actuarial reserve of the insurance contract plus the surplus, as set out in the business plan.

The difference barred from distribution in accordance with section 253(6) sentence 1 HGB amounts to EUR -3,383 thousand. Since the difference is negative in the financial year, there is no amount restricted from distribution. However, offsetting against other amounts barred from distribution is not permitted.

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

	31.12.2024	31.12.2023
EUR thousand		
Remuneration payable	46,216	34,065
Consulting costs	29,625	27,890
Vacation claims and credit balances in flextime accounts	7,358	6,357
Administrative expenses of foreign branch offices	3,280	5,252
Costs for the preparation of the annual financial statements	2,630	2,896
Litigation expenses	2,067	875
Outstanding invoices for building-related expenses	1,484	288
Provisions for costs	788	219
Miscellaneous	10,947	7,460
Total	**104,395**	**85,301**

F. IV. Other liabilities

	31.12.2024	31.12.2023
EUR thousand		
Liabilities to affiliated companies	1,140,656	302,917
Liabilities from non-group lead business	513,587	483,007
Liabilities not yet attributed	78,900	61,722
Liabilities due to tax authorities	78,270	75,656
Trade payables	4,779	3,076
Liabilities to social security institutions	1,407	1,991
Liabilities from the investing activities based on claim payments	63	59
Miscellaneous	20,554	15,898
Total	**1,838,217**	**944,326**

Other liabilities have a term of less than one year.

The increase in other liabilities to affiliated companies by EUR 837,739 thousand to EUR 1,140,656 (302,917) thousand is mainly due to an increase in liabilities from the provision of services (up by EUR 509,606 thousand to EUR 569,547 thousand) and in liabilities from the transfer of profits (up by EUR 274,387 thousand to EUR 411,846 thousand).

G. Deferred income

Deferred income items in the amount of EUR 2,505 (1,696) thousand relate in the amount of EUR 2,076 (1,492) thousand to commissions of the leading insurer collected for the subsequent year.

Income statement

I. 1. a) Gross written premiums

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	81,321	73,324
Liability insurance	1,579,754	1,476,802
Motor third-party liability insurance	336,366	283,678
Other motor insurance	189,609	160,547
Fire and property insurance	840,747	743,525
of which:		
a) Fire insurance	230,464	211,135
b) Engineering insurance	520,091	455,633
c) Other property insurance	90,192	76,757
Marine and aviation insurance	513,782	475,023
All-risk insurance	1,002,033	943,656
Legal protection insurance	24,154	24,621
Other insurance	82,246	97,978
Total	**4,650,012**	**4,279,152**
Business accepted for reinsurance	2,542,996	2,211,281
Total insurance business	**7,193,009**	**6,490,433**

Origin of gross written premiums for the direct written insurance business

	2024	2023
EUR thousand		
In Germany	1,857,586	1,799,029
Other member states of the European Community as well as other treaty states of the Agreement Creating the European Economic Area	1,635,153	1,455,999
Third countries	1,157,273	1,024,123
Total	**4,650,012**	**4,279,152**

I. 1. Gross premiums earned

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	79,426	72,507
Liability insurance	1,545,584	1,428,000
Motor third-party liability insurance	330,091	274,163
Other motor insurance	185,100	153,888
Fire and property insurance	777,976	693,428
of which:		
a) Fire insurance	228,209	214,299
b) Engineering insurance	460,345	403,615
c) Other property insurance	89,423	75,514
Marine and aviation insurance	509,657	462,409
All-risk insurance	991,450	885,329
Legal protection insurance	24,214	24,849
Other insurance	80,231	95,293
Total	**4,523,728**	**4,089,868**
Business accepted for reinsurance	2,430,540	2,107,914
Total insurance business	**6,954,268**	**6,197,782**

I. 1. Net premiums earned

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	68,717	61,985
Liability insurance	700,121	609,313
Motor third-party liability insurance	247,985	205,493
Other motor insurance	28,460	128,194
Fire and property insurance	311,757	285,973
of which:		
a) Fire insurance	89,905	90,502
b) Engineering insurance	186,834	162,857
c) Other property insurance	35,017	32,614
Marine and aviation insurance	64,740	107,931
All-risk insurance	223,826	211,752
Legal protection insurance	302	268
Other insurance	27,210	39,946
Total	**1,673,118**	**1,650,854**
Business accepted for reinsurance	757,861	601,115
Total insurance business	**2,430,979**	**2,251,969**

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

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	46,195	57,945
Liability insurance	1,290,045	788,480
Motor third-party liability insurance	285,920	230,370
Other motor insurance	167,526	134,369
Fire and property insurance	620,794	288,987
of which:		
a) Fire insurance	220,795	88,585
b) Engineering insurance	337,630	196,394
c) Other property insurance	62,369	4,007
Marine and aviation insurance	315,087	268,853
All-risk insurance	329,597	392,264
Legal protection insurance	12,225	-1,678
Other insurance	64,076	34,878
Total	**3,131,465**	**2,194,467**
Business accepted for reinsurance	1,406,314	1,167,112
Total insurance business	**4,537,780**	**3,361,579**

I. 7. a) Gross expenses for insurance operations

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	19,937	19,676
Liability insurance	228,495	218,538
Motor third-party liability insurance	44,351	41,188
Other motor insurance	28,010	26,753
Fire and property insurance	139,502	129,455
of which:		
a) Fire insurance	37,992	36,574
b) Engineering insurance	89,732	82,635
c) Other property insurance	11,778	10,247
Marine and aviation insurance	87,914	84,414
All-risk insurance	125,546	112,765
Legal protection insurance	4,110	5,051
Other insurance	19,724	21,193
Total	**697,589**	**659,034**
Business accepted for reinsurance	460,911	405,075
Total insurance business	**1,158,501**	**1,064,109**

Of the gross expenses for insurance operations for the financial year, EUR 147,667 (140,081) thousand are attributable to acquisition expenses and EUR 1,010,834 (924,028) thousand are attributable to general and administrative expenses.

Reinsurance balance

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	-7,447	3,740
Liability insurance	67,467	-483,586
Motor third-party liability insurance	17,654	5,757
Other motor insurance	-6,126	-17,403
Fire and property insurance	-13,464	-148,822
of which:		
a) Fire insurance	8,282	-48,267
b) Engineering insurance	-18,174	-72,876
c) Other property insurance	-3,572	-27,680
Marine and aviation insurance	-91,049	-45,666
All-risk insurance	-408,709	-337,965
Legal protection insurance	-13,024	-25,568
Other insurance	-7,514	-22,440
Total	**-462,211**	**-1,071,953**
Business accepted for reinsurance	-531,511	-382,100
Total insurance business	**-993,722**	**-1,454,054**

– = 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 50 (90) million for non-cash reinstatement premiums. This breaks down into EUR 41 (71) million for the direct written insurance business and EUR 9 (19) million for the business accepted for reinsurance.

I. 11. Underwriting result for own account

	2024	2023
EUR thousand		
Direct written insurance business		
Casualty insurance	948	-510
Liability insurance	-15,002	-20,980
Motor third-party liability insurance	19,682	10,677
Other motor insurance	29,751	-10,258
Fire and property insurance	4,431	44,244
of which:		
a) Fire insurance	-17,161	-37,350
b) Engineering insurance	9,959	48,339
c) Other property insurance	11,633	33,255
Marine and aviation insurance	24,023	37,690
All-risk insurance	117,909	32,988
Legal protection insurance	-5,143	-4,094
Other insurance	-11,253	16,579
Total	**165,345**	**106,335**
Business accepted for reinsurance	24,582	30,813
Total insurance business	**189,927**	**137,148**

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 226,878 (310,675) 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

	2024	2023
EUR thousand		
Commissions of any kind for insurance agents within the meaning of section 92 HGB for direct written insurance business	358,455	327,056
Wages and salaries	159,775	138,381
Social insurance contributions and expenses for benefits	22,368	20,336
Expenses for retirement benefits	15,628	22,664
Total expenses	**556,226**	**508,437**

Number of insurance contracts with a minimum term of one year

	2024	2023
Number		
Direct written insurance business		
Casualty insurance	17,264	17.631
Liability insurance	56,236	55,796
Motor insurance	613,419	599.786
Fire and property insurance	42.381	41,850
of which:		
a) Fire insurance	11.029	9,754
b) Engineering insurance	26,009	26,953
c) Other property insurance	5.343	5,143
Marine and aviation insurance	22,305	21,927
All-risk insurance	20.107	16,739
Legal protection insurance	7,005	7,095
Other insurance	8.189	7,981
Total	**786,906**	**768,805**

II. 4. Other income

	2024	2023
EUR thousand		
Income from services rendered	49,682	45.356
Interest and similar income	8,655	7.767
Currency exchange gains	8,574	11.703
Income from reversal of specific and global valuation allowances	7,040	9.767
Miscellaneous	3,209	4.122
Income from the derecognition of liabilities	1,183	2.023
Income from the reversal of other provisions	53	535
Total	**78,396**	**81.274**

II. 5. Other expenses

	2024	2023
EUR thousand		
Other expenses for the Company as a whole	104,707	82,226
Expenses for services	36,428	33,325
Write-downs of receivables	25,764	36,782
Interest expense	17,407	21,416
Currency exchange losses	8,810	13,269
Additions to the interest portion of the provision for pensions	8,128	8,379
Miscellaneous	5,254	6,001
Total	**206,498**	**201,398**

Interest expenses include expenses for the unwinding of the discount in the amount of EUR 1,208 (692) 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 96,492 (50,706) thousand. These are essentially the actual taxes for the financial year of the foreign branches in the amount of EUR 93,296 thousand. The expense from German taxes on income amounted to EUR 610 thousand and relates primarily to deductible withholding tax.

II. 10. Other taxes

The line item Other taxes relates in the amount of EUR 7,076 thousand to expenses on the part of the foreign branches and in the amount of EUR 1,161 thousand to German expenses from other taxes (of which EUR 436 thousand can be attributed to property taxes and EUR 1,035 thousand to insurance and fire protection taxes), resulting in an expense from other taxes in the amount of EUR 8,237 thousand.

Other disclosures

Employees

	2024	2023
Number (average)		
Full-time employees	1,081	1,008
Part-time employees	132	125
Total	**1,213**	**1,133**

Governing bodies of the Company

Supervisory Board

Member
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 (Belgien) 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
Dr. Edgar Puls Chairman	• Duties of the Chairman as stipulated under the rules of procedure for the Board of Management • Revision • Personnel • Corporate development
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 underwriting • Aviation underwriting • Legal procetion underwriting • Communications • Coordination of passive reinsurance
Dr. Mukadder Erdönmez	• Liability underwriting • Cyber underwriting • Motor underwriting
Dr. Christian Hermelingmeier	• Accounting • Premium Collections • Investment Management • Controlling • Risk Management • HDI Reinsurance (Ireland) • Actuarial Function • Money Laundering Prevention • Compliance
Dr. Dirk Höring (since 01.04.2024)	• Property (fire, engineering) Underwriting • Marine underwriting • Risk consulting
David Hullin	• Region Europa (ohne Deutschland) • Region Amerika • Region East • Global Marketing & Distribution
Dr. Barbara Klimaszewski-Blettner (since 01.04.2024)	• Region Germany • Claim
Dr. Thomas Kuhnt	• IT • Guidance/Technical Pricing • Operations • HDI Global Network • International programmes • Group casualty insurance • Strategic investment
Claire McDonald (until 31.03.2024)	

Remuneration for the members of governing bodies and advisory boards

Remuneration for the members of the Board of Management totalled EUR 9,213 (7,368) thousand. Total remuneration for the Supervisory Board was equal to EUR 68 (78) thousand and remuneration for the Advisory Board totalled EUR 455 (475) thousand. The remuneration of former Board of Management members and their survivors totalled EUR 6,000 (5,679) thousand. A total of EUR 67,481 (70,949) thousand was recognised for pension liabilities due to former Board of Management members and their survivors.

Under the share-based remuneration system introduced in 2011, the Board of Management was allocated 47,115 (64,977) virtual shares with a fair value of EUR 3,282 (2,812) 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 Legal Expenses Claims Management GmbH, HDI AI EUR Beteiligungs-GmbH and HDI AI USD Beteiligungs-GmbH, each as the controlled company. In addition, a control agreement is in force between HDI Global SE as the controlling company and HDI Global Specialty SE 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 20(3) AktG).

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 167,088 (154,696) 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 176,310 (167,727) thousand as at the balance sheet date. In addition, there are further assets with a carrying amount of EUR 338,962 (257,567) thousand that are pledged, transferred as collateral or deposited, resulting in a total value of EUR 515,273 (425,294) 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 57,789 (59,574) thousand as at the end of the financial year.

The shortfall attributable to unrecognised benefit commitments as defined by Article 28(1) of the EGHGB amounts to EUR 1,918 (2,064) 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 3,023 (3,585) thousand consist primarily of guarantee credits and bank guarantees. Letters of credit in effect with various banks total EUR 965,812 (958,931) 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 financial obligations and contingent liabilities was EUR 1,611,785 (1,517,448) thousand.

Capital contribution commitments vis-à-vis contracting parties

EUR thousand	31.12.2024	31.12.2023
HDI AI EUR Beteiligungs-GmbH	115,881	75,881
OXG Glasfaser GmbH - Trinity	18,713	19,486
HDI AI USD Beteiligungs-GmbH	11,689	11,052
Maincubes Holding & Service GmbH -Matrix- Tr. C2	10,000	0
EdgeConneX Pan European Finance Co B.V. - Beluga-	8,617	0
Bridgepoint Credit Opp. IV Feeder EUR SCSp	5,116	5,777
Bridgepoint Credit Opportunities II LP	4,516	4,516
Ares Senior Direct Lending Parallel Fund (U) LP	3,102	2,933
Bridgepoint Direct Lending III unlevered SCSp	3,085	5,391
Muzinich Pan-European Private Debt II, SCSp	2,251	2,486
AG DLI III Offshore Unlevered LP	2,512	2,375
Ares Capital Europe IV (E) Unlevered	2,008	2,150
CVC Credit Partners EU DL II Co-Invest Feeder SCSp	1,881	1,881
Arcmont Senior Loan Fund I (A) SLP	1,785	1,879
Monroe Capital SCSp SICAV-RAIF- Priv Credit F III	1,435	1,357
Barings European Private Loan Fund II	1,158	1,243
Crown European Private Debt II SCSp	1,180	1,180
UBS Clean Energy Infrastructure Switzerland 2 KmGK	907	1,224
Muzinich Pan-European Private Debt I SCSp	879	879
Five Arrows Direct Lending SCSp	801	1,072
BlackRock European Middle Market Debt II SCSp	293	456
Total	**197,808**	**143,219**

For HDI Global SE, there are other financial obligations from outstanding capital contribution commitments in the amount of EUR 197,808 thousand resulting from an investment programme with a total subscription volume of EUR 684,811 thousand.

This includes outstanding residual capital contribution commitments in the amount of EUR 127,570 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 reporting period, there were no non-arm's length transactions with related parties that were relevant to an assessment of the net assets 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 2024. 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 2024 and 30 September 2024. In addition, the solvency balance sheet for the year ended 31 December 2024 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 Related Services 4400 (ISRS 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. As the parent company of the Talanx Group, Talanx AG is also required by section 341i HGB in conjunction with section 290 of the HGB to prepare consolidated financial statements (smallest consolidated group). On the basis of section 315e(1) of the HGB, these consolidated financial statements must be prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), in compliance 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

In light of the fact that it is part of the HDI Haftpflichtverband der Deutschen Industrie V.a.G group, HDI Global SE falls within the scope of the Minimum Tax Act that took effect in Germany on 1 January 2024. This new legislation did not result in any income tax liability in the reporting period.

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

Dr. Dirk Hörung | David Hullin | Dr. Barbara Klimaszewski-Blettner

Dr. Thomas Kuhnt

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, Hanover, which comprise the balance sheet as at December 31, 2024, and the statement of profit and loss for the financial year from January 1 to December 31, 2024 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, 2024. 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, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024 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, 2024. 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 shares in affiliated companies

❷ Measurement of investments

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 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 € 2,517.4 million (17.8 % 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.

❷ 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 € 7,666.8 million (54.3 % 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 potencial impacts of macroeconomic and geopolitical factor, including interes rate developments, on the valuation of investments. 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 macroeconomic and geopolitical factors, including interest rate developments, on the valuation of 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.

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 € 15,781.0 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 the internal control of the Company and these arrangements and measures (systems), respectively.

- 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 7, 2024. We were engaged by the supervisory board on July 3, 2024. We have been the auditor of the HDI Global SE, Hanover, 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 7, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

(sgd. Martin Eibl)	(sgd. [ppa.] Ken-Chris Bolik)
Wirtschaftsprüfer	Wirtschaftsprüfer
[German public auditor]	[German public auditor]

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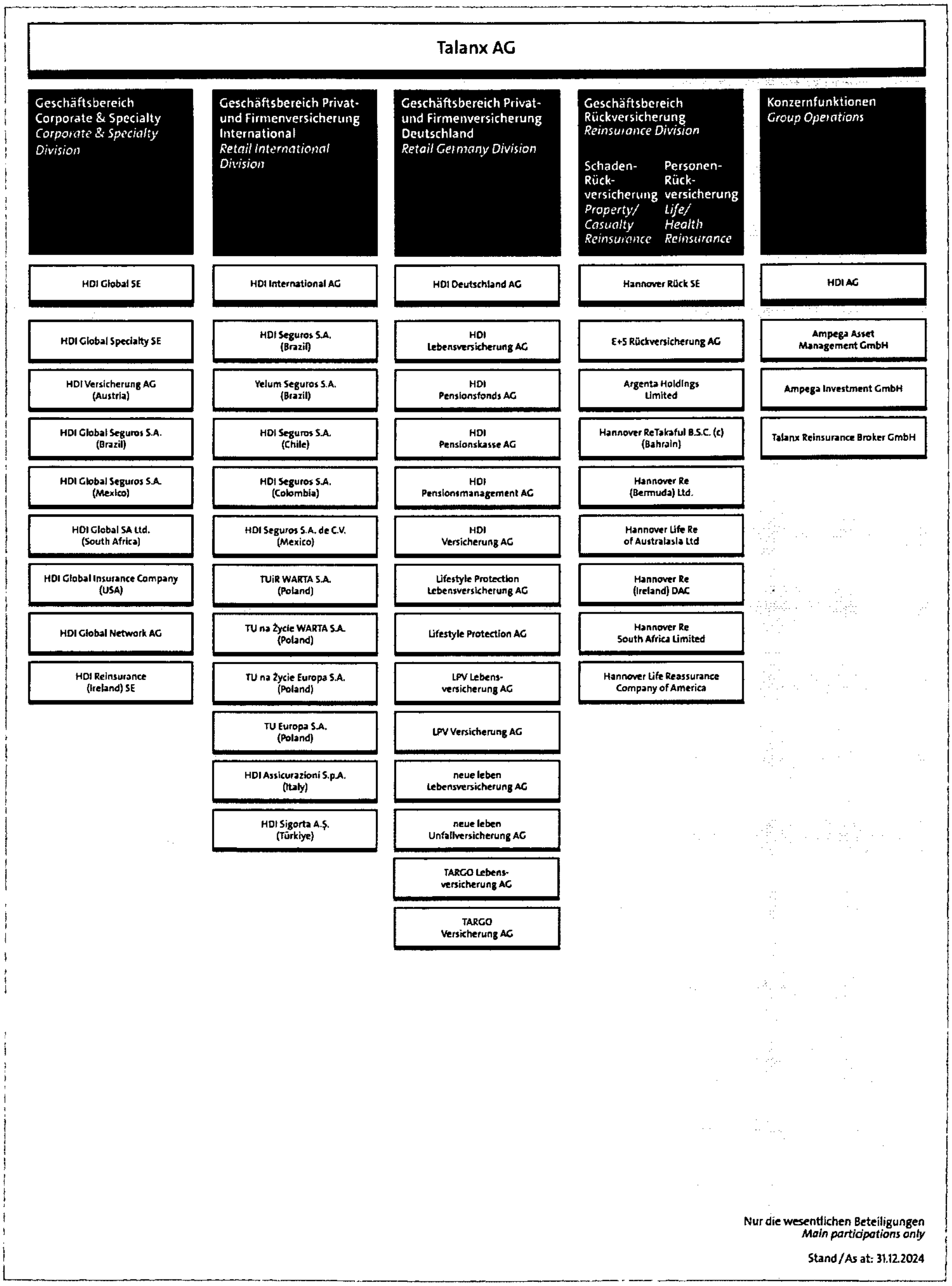
This is a translation of the original German text; the German version takes precedence in case of any discrepancies in the translation.
The German version is avaliable on www.bundesanzeiger.de.

Konzernstruktur
Group structure



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