Hannover Re

Hannover Rück SE 2025

Solvency and Financial Condition Report

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Key Figures

in TEUR	2024	2025
Solvency II Balance Sheet		
Assets	78,646,402	79,272,172
Technical Provisions	43,930,236	45,899,965
Other Liabilities	16,151,450	14,199,932
Excess of Assets over Liabilities	18,564,716	19,172,275
Eligible Own Funds		
Tier 1 Basic Own Funds (unrestricted)	17,479,330	17,664,811
Tier 1 Basic Own Funds (restricted)	506,175	
Tier 2 Basic Own Funds	2,589,192	2,580,568
Tier 3 Basic Own Funds	12	
Eligible Own Funds (SCR)	20,574,709	20,245,379
Capital requirements		
Solvency Capital Requirement	7,766,873	7,759,125
Minimum Capital Requirement	3,495,093	3,491,606
Coverage Ratio		
Ratio of Eligible Own Funds to SCR (Solvency Ratio)	265%	261%
Ratio of Eligible Own Funds to MCR	535%	526%

Hannover Rück SE (hereinafter referred to as “Hannover Rück”, “Hannover Re” or “the company”) fulfills the Minimum and Solvency Capital Requirements (hereinafter referred to as MCR and SCR) stipulated by the supervisory authorities as at the reporting date of 31 December 2025 and in the financial year 2025. The solvency ratio was above the internal threshold of 200% during the entire financial year.

Section D describes the valuation principles used to determine the eligible own funds, and Section E those used to determine the SCR, in particular with regard to the use of the internal capital model.

According to legal requirements, the Solvency II balance sheet was audited by the auditing firm.

This report constitutes a mandatory publication pursuant to Section 40 of the Insurance Supervision Act (VAG). Please note that, for the larger part, the information contained herein is already included in the Hannover Re-Group Annual Report and in the Hannover Rück Individual Annual Report caused by the overlapping regulatory requirements.

Hannover Re has also published an SFCR for the Hannover Re Group on a full consolidation basis.

Please note that rounding differences can occur in the presented tables. Values below TEUR 0.5 are displayed as “0”. Empty cells or cells with “-“ represent a value of EUR 0.00.

A. Business and Performance

Hannover Rück transacts all lines of Property & Casualty and Life & Health reinsurance business groups. Its global presence and activities across all lines of reinsurance business allows the company to achieve efficient risk diversification. Since 1 January 1997, Hannover Rück has written active reinsurance for the Group, with few exceptions, solely in foreign markets. Responsibility within the Hannover Re Group for German business rests with the subsidiary E+S Rückversicherung AG (hereinafter “E+S Rück”). In the financial year 2025, the majority of E+S Rück's life reinsurance business was transferred to Hannover Re. The remaining life reinsurance business will be transferred in 2026 with effect from 1 January 2026.

The gross premium in 2025 in total business contracted marginally by 0.5% to TEUR 29,676,023. (previous year: TEUR 29,821,548). Net premium earned slipped slightly by 0.9% to TEUR 18,780,448 (previous year: TEUR 18,950,178).

With technical income of TEUR 18,966,964 (previous year: TEUR 19,138,839) and technical expenses of TEUR 19,853,878 (previous year: TEUR 19,094,200), Hannover Re booked a total technical result in accordance with the German Commercial Code (HGB) of TEUR -886,914 in the 2025 financial year after TEUR 44,639 in the previous year. The decrease of the technical result in 2025 is mainly driven by reserve strengthening in aviation and general liability insurance. The net major losses of TEUR 1,062,149 are within budget.

Our investments performed satisfactorily, although numerous geopolitical and economic challenges continued to cause uncertainty.

Details on the Business and Performance can be found in Section A.

B. Governance System

Hannover Rück has an effective system of governance, which provides for sound and prudent management. Written policies are in place for all significant business events. The key functions pursuant to Section 26 and Sections 29-31 of the Insurance Supervision Act (VAG) have been set up, entrusted with the tasks described and equipped with appropriate resources.

The Executive Board has established a committee, which supports the assessment of the system of governance. Based on the assessment conducted by the committee, the Executive Board has reached the conclusion that the system of governance of Hannover Rück is appropriate considering the scope and complexity of its business activities and the inherent risks.

The individual elements of the system of governance of Hannover Rück are explained in Section B.

C. Risk Profile

In the context of its business operations Hannover Rück is confronted with a broad variety of risks. These risks are deliberately accepted, steered and monitored in order to be able to act on the associated opportunities.

Risk landscape of Hannover Rück

They specifically concern underwriting risks pertaining to Property & Casualty and Life & Health as well as capital market risks, liquidity risks and counterparty default risks. Operational, strategic and reputation risks also arise in the course of business operations. In Section C, we describe the sources and management of those risks. We also explain how we handle potential future risks (emerging risks).

Hannover Rück received approval from the regulatory authorities to calculate its solvency requirements using an internal capital model.

The SCR as of 31 December 2025 are shown in the following table. The SCR includes the impact from the dynamic volatility adjustment for both reference dates. The impact of the volatility adjustment is displayed separately in Section D.2 as well as in the annex QRT S.22.01.21.

Solvency Capital Requirement (SCR)
in TEUR

Solvency Capital Requirement	2024	2025
Underwriting risk - Property & Casualty	6,652,539	6,817,043
Underwriting risk - Life & Health	2,617,270	2,525,195
Market risk	5,808,860	5,605,775
Counterparty default risk	403,624	447,290
Operational risk	696,180	709,486
Diversification	**-5,510,468**	**-5,552,115**
SCR (pre-tax)	**10,668,005**	**10,552,674**
Deferred tax	2,901,131	2,793,549
SCR (post-tax)	**7,766,873**	**7,759,125**

The SCR is calculated based on the approved internal model. Currently, our most significant individual risks are the default and spread risks within the market risks, the reserving and catastrophe risks within the underwriting risks of property and casualty reinsurance and the mortality (incl. catastrophe) and morbidity & disability risks within the underwriting risks of life and health reinsurance.

Hannover Rück applies the volatility adjustment. The volatility adjustment partially mitigates the effect of temporary value fluctuations due to credit spread movements on the bond market. This effect is also captured in the calculation of the SCR i.e. Hannover Re applies the dynamic volatility adjustment in its internal model.

Overall, the Solvency Capital Requirements at the confidence level of 99.5% remain almost unchanged over the course of the year. The increasing effects arise as a consequence of business growth and new investments in listed equities, which has led to an increase in the underwriting risk property and casualty reinsurance and market risk.In contrast, the exchange rate effects, reduced deferred tax impact and model changes lead to a decline in the Solvency Capital Requirements.

The risk monitoring, control mechanisms and developments in 2025 are presented in Section C.

D. Valuation for Solvency Purposes

For the purposes of calculating the eligible own funds, Hannover Re values the assets and liabilities pursuant to the provisions of Section 74 et seq. of the Insurance Supervision Act (VAG), i.e. in accordance with Solvency II.

The valuation for Solvency purposes is set in principle at the fair value (market value). Insofar as IFRS values appropriately reflect the fair value of individual assets or liabilities, they are applied.

In Section D.2 the valuation principles for technical provisions are described. Technical provisions pursuant to Solvency II differentiate significantly from the definition of provisions pursuant to the local reporting standards (HGB), both in terms of structure and in relation to the calculation rules. A comparison of HGB and Solvency II technical provisions is shown as well as a comparison of current technical provisions under Solvency II and those calculated last year.

The calculation considers the volatility adjustment. Further measures for long term debts or transition measures are not applied.

Section D explains the details of the valuation for solvency purposes.

E. Capital Management

Hannover Rück endeavours at all times to maintain a solvency ratio of at least 180%; whereas a reduction of the solvency ratio below the 200% threshold would already trigger countermeasures aimed at either strengthening the company's equity or reducing the risk, or both. This ensures compliance with the regulatory requirement of a minimum solvency ratio of 100%. However, a fall below threshold would most of the time be avoided by proactive measures and thus has never occurred since introduction of the threshold.

The solvency ratio with and without application of the volatility adjustment is continuously monitored. Any changes are taken into account as part of planning, and potential changes in the solvency ratio, which can be caused by larger transactions, are examined in advance. During the financial year 2025, there was no breach of the limit of 180%. Further information on the calculation of the solvency ratio can be found in Section E.

Own funds in the Solvency II balance sheet consist of basic own funds, which comprise the excess of assets over liabilities and subordinated capital less foreseeable dividends. The different components are classified in quality tiers. Ordinary share capital, the share premium account and the reconciliation reserve are allocated to Tier 1. Additionally, subordinated capital of tiering classes 1 restricted and 2 is taken into account and net deferred tax assets, which are recognised as Tier 3 capital. Hannover Rück does not use ancillary own funds.

As of 31 December 2025, the eligible own funds amount to TEUR 20,245,379. The structure of economic capital remains highly satisfactory with a ratio of more than 80 % of Tier 1 capital. The structure of own funds allows for full eligibility to cover the solvency capital requirement.

Hannover Rück uses an approved full internal model for the purposes of calculating the SCR. The individual risk categories are aligned with the risk modules of the standard formula. The internal model is applied in a broad range of management and decision-making processes. The future development of Solvency and Minimum Capital Requirements are forecast at regular intervals as part of the planning process.

Changes from the Solvency II Review will come into effect in 2027 and will affect the solvency ratio mainly through changes in the volatility adjustment, the risk margin and the extrapolation method of yield curves. We are preparing and monitoring these upcoming changes.

Section E explains the details of capital management.

A. Business and Performance

A.1 Business

A.1.1 Business model

The Hannover Re Group is one of the world's leading reinsurers. Hannover Rück SE is a European Company, Societas Europaea (SE), based in Hannover, Germany. Our business model is aligned with our Group strategy. It is focused on the reinsurance business that we transact worldwide in the Property & Casualty and Life & Health reinsurance business groups.

The strategy cycle at Hannover Re spans three years. The Group strategy 2024–2026 “Staying Focused. Thinking Ahead.” is focused on industry-leading performance in terms of profitability and earnings growth, reliable economic value creation as well as an attractive and increasing dividend. Hannover Re’s capital strength is another strategic criterion. Along with these financial targets, the ambition set out in the Group strategy also includes strategic targets in relation to employee engagement and environmental stewardship. The Group strategy is specified and supported by corresponding business group strategies.

We strive for the broadest possible diversification and thus an efficient risk balancing.

Guided by a clearly defined risk appetite, the Executive Board steers the company with the support of risk management to capitalise on business opportunities while securing our long-term financial strength.

Hannover Re's business model has a clear focus on reinsurance. This strategic orientation allows us to concentrate on strong client partnerships and to ensure sustainable, profitable growth and disciplined long-term value creation.

Our business operations are committed to being the preferred business partner for our clients. It is for this reason that our clients and their concerns are at the core of our activities.

By conducting our reinsurance business with lower administrative expenses than our peers, we generate competitive advantages to the benefit of our clients and shareholders. This enables us to deliver above-average profitability and at the same time offer our customers reinsurance protection on competitive terms.

In the Property & Casualty reinsurance business group we consider ourselves to be a reliable, flexible and innovative market player that ranks among the best in any given market. Cost leadership, effective cycle management and strong risk management are the key elements of our competitive positioning. Particularly in the current market environment, we actively manage our portfolio to ensure long-term profitability on the underwriting side.

In the Life & Health reinsurance business group we are recognised – as customer surveys confirm – as one of the top players for traditional covers and a leading provider of structured solutions. We achieve this, among other things, by anticipating the future needs of our customers through the early identification of trends.

With a view to assuring Hannover Re's lasting stability, our strategy is grounded on a solid foundation: sustainability and integrated corporate governance. Sustainability reflects our aspiration to economic, social and environmental accountability. Through integrated corporate governance we foster the trust placed in Hannover Re, especially by regulators and investors but also by our clients and staff.

A.1.2 Income and key transactions

The values indicated in this and the following sections of chapter A, were determined in accordance with the German Commercial Code (hereafter referred to as HGB), as required by Article 293 (2) DVO. Please note that the accounting rules under HGB differ significantly from those under Solvency II.

Please note that Hannover Re publishes IFRS and Solvency II annual results on a fully consolidated group basis.

Hannover Rück SE recorded a satisfactory business development in the 2025 financial year. The gross premium in total business contracted marginally by 0.5% to TEUR 29,676,023.The level of retained premium decreased to 64.0%. Net premium earned slipped slightly by 0.9% to TEUR 18,780,448.

The underwriting result before changes in the equalisation reserve came in at TEUR -886,914. An amount of TEUR 742,235 was withdrawn from the equalization reserve and similar provisions in the year under review.

A considerable number of large losses were again recorded in the 2025 financial year. The total net expenditure on large losses for Hannover Rück SE amounted to TEUR 1,062,138. The combined ratio deteriorated to 104.9%. The underwriting result declined to TEUR -144,679.

Ordinary investment income including deposit interest came to TEUR 2,693,203. Ordinary income from fixed-income securities and bond funds totalled TEUR 1,045,917.

Net gains of TEUR 498,939 were realised on disposals. This reflects, on the one hand, the realisation of considerable unrealised gains from the sale of an intermediate company that held shares in Viridium Group and of a fixed-income portfolio. On the other hand, opposing effects derived from the active realisation of unrealised losses on older fixed-income securities with lower rates of return.

Write-downs of TEUR 18,160 were taken on investments. They were attributable in roughly equal parts to fund units, fixed-income securities and a participating interest.

The write-downs contrasted with write-ups of TEUR 1,530 that were made on assets written down in previous periods to reflect increased fair values. All in all, the net investment result increased to TEUR 3,047,592. It was thus higher than anticipated, driven primarily by significantly increased earnings from fixed-income securities and high realised gains, in respect of which the underlying transactions could not yet be considered in the forecasts for the reporting period.

The profit on ordinary activities improved by 31.7% to TEUR 2,226,945 (previous year: TEUR 1,691,152). The year under review closed as forecast with a profit for the year that amounted to TEUR 1,896,334 (previous year: TEUR 1,120,199).

A.1.3 Headquarters, supervisors and auditors

Hannover Rück SE has its headquarters located in Karl-Wiechert-Allee 50, 30625 Hannover, Germany and was entered in the Commercial Register of the District Court of Hannover under the number HR Hannover B 6778. A rounded 50.2% of Hannover Rück shares are held by Talanx AG, Hannover, which in turn is majority-owned, with an interest of 76.7%, by HDI Haftpflichtverband der Deutschen Industrie V.a.G. (HDI), Hannover.

Hannover Rück as well as Talanx and HDI are supervised by the Federal Financial Supervisory Authority (BaFin).

Address of Federal Financial Supervisory Authority (BaFin)

Graurheindorfer Straße 108, 53117 Bonn, Germany
alternative: Postbox 1253, 53002 Bonn, Germany

Contact details of Federal Financial Supervisory Authority (BaFin)

Phone: +49 22 8 / 41 08 – 0, Fax: +49 22 8 / 41 08 – 15 50
E-mail: poststelle@bafin.de, De-mail: poststelle@bafin.de-mail.de

Talanx AG is located in HDI-Platz 1, 30659 Hannover, Germany.

The Group auditor appointed for Hannover Rück within the meaning of Section 318 of the HGB is PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Fuhrberger Straße 5, 30625 Hannover, Germany.

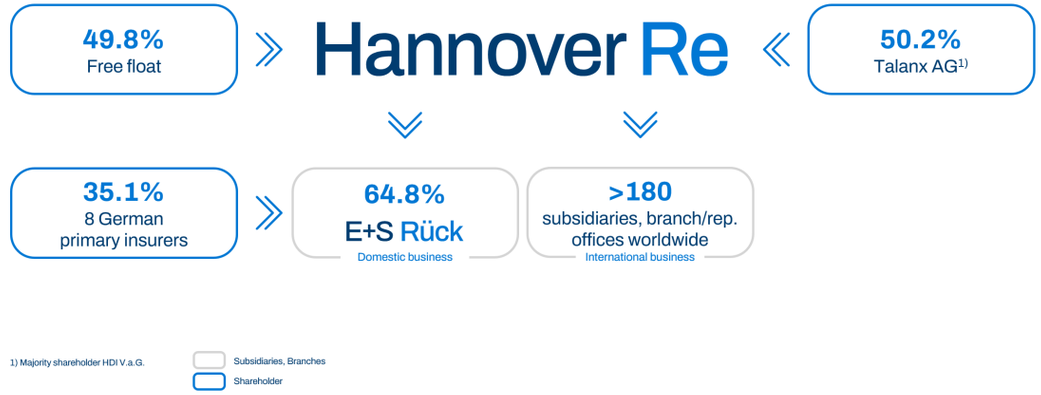
A.1.4 Group structure

This report refers to Hannover Rück SE on a stand-alone basis. As Hannover Rück SE also operates as the parent company of a group, we also provide information in this section about the group structure.

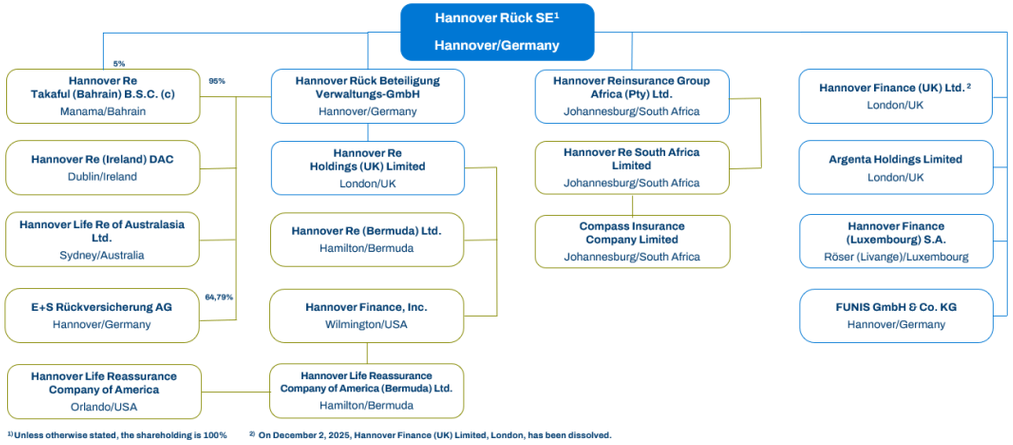
The company's network consists of more than 180 subsidiaries, affiliates, branches and representative offices worldwide with 4,078 employees.

Subsidiaries and branches of Hannover Rück SE are presented in the following charts.

Shareholders, subsidiaries and branches



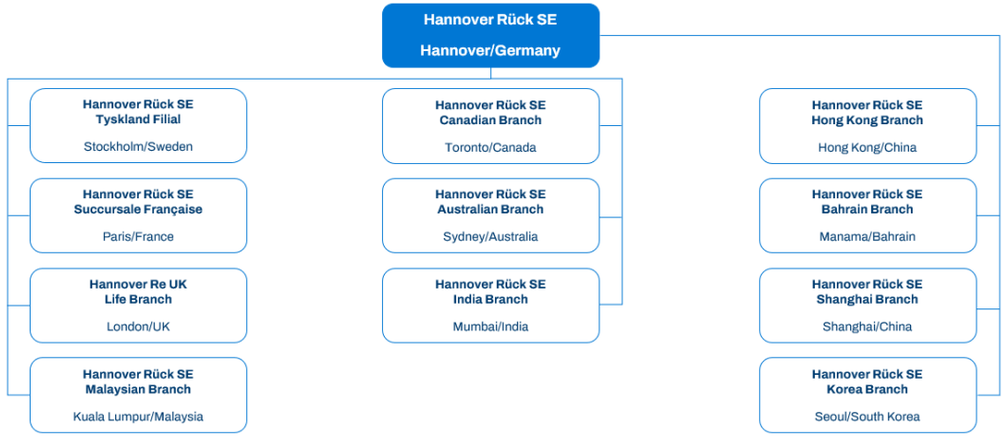
Subsidiaries of Hannover Rück SE



[1] Unless otherwise stated, the shareholding is 100%

[2] On December 2, 2025, Hannover Finance (UK) Limited, London, has been dissolved.

Branches of Hannover Rück SE



A.1.5 Material related undertakings

Affiliated companies and participations with major shareholdings are listed below.

List of major shareholdings

Companies resident in Germany

Hannover Rück Beteiligung Verwaltungs-GmbH, Hannover/Germany
- E+S Rückversicherung AG, Hannover/Germany
  - WeHaCo Unternehmensbeteiligungs-GmbH, Hannover/Germany
  - M 31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf/Germany
- Hannover Re Holdings (UK) Limited, London/United Kingdom
  - Hannover Finance, Inc., Wilmington/USA
    - Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton/Bermuda
      - Hannover Life Reassurance Company of America, Orlando/USA
      - Sand Lake Re, Inc., Burlington/USA
    - Glencar Insurance Company, Orlando/USA
    - Glencar Underwriting Managers, Inc., Chicago/USA
    - Kubera Insurance (SAC) Ltd., Hamilton/Bermuda
  - Hannover Re (Bermuda) Ltd., Hamilton/Bermuda
- Hannover Re (Ireland) Designated Activity Company, Dublin/Ireland
- Hannover Life Re of Australasia Ltd, Sydney/Australia
- Hannover ReTakaful B.S.C. (c), Manama/Bahrain

FUNIS GmbH & Co. KG, Hannover/Germany
- Integra Insurance Solutions Limited, Leeds/United Kingdom
- Monument Insurance Group Limited, Hamilton/Bermuda

Hannover Re Global Alternatives GmbH & Co. KG, Hannover/Germany
- PAG Real Estate Asia Select Fund Limited, George Town/Cayman Islands
- HR US Infra Debt LP, George Town/Cayman Islands

Hannover Re Euro RE Holdings GmbH, Hannover/Germany
- HR GLL Central Europe GmbH & Co. KG, Munich/Germany
- ZG Zenit Grundstücksgesellschaft mbH, Cologne/Germany
- Zenit BV GmbH, Cologne/Germany
- HR Core Europe Real Estate GmbH [1], Cologne/Germany

HAPEP II Komplementär GmbH, Hannover/Germany

Hannover America Private Equity Partners II GmbH & Co. KG, Hannover/Germany
- HAPEP II Holding GmbH, Hannover/Germany

Hannover Re Euro PE Holdings GmbH & Co. KG, Hannover/Germany

Companies resident abroad

Inter Hannover (No.1) Limited, London/United Kingdom

Hannover Finance (Luxembourg) S.A., Roeser/Luxembourg

Hannover Services (UK) Limited, London/United Kingdom

Hannover Reinsurance Group Africa (Pty) Ltd., Johannesburg/South Africa
- Hannover Re South Africa Limited, Johannesburg/South Africa
  - Compass Insurance Company Limited, Johannesburg/South Africa
  - Lireas Holdings (Pty) Ltd., Johannesburg/South Africa

Leine Investment General Partner S.à.r.l., Luxembourg/Luxembourg

Argenta Holdings Limited, London/United Kingdom
- Argenta Private Capital Limited, London/United Kingdom
- Argenta Syndicate Management Limited, London/United Kingdom
- Argenta Underwriting Asia Pte. Ltd., Singapore/Singapore
- Argenta Underwriting No.2 Limited, London/United Kingdom
- Argenta Underwriting No.3 Limited, London/United Kingdom
- Argenta Underwriting No.9 Limited, London/United Kingdom
- Argenta Underwriting No.10 Limited, London/United Kingdom
- Argenta Underwriting No.11 Limited, London/United Kingdom
- Argenta Underwriting No.16 Limited, London/United Kingdom
- Argenta Underwriting No.17 Limited, London/United Kingdom
- Residual Services Limited, London/United Kingdom

Leine Investment SICAV-SIF, Luxembourg/Luxembourg

Kaith Re Ltd., Hamilton/Bermuda

Hannover Re Real Estate Holdings, Inc., Orlando/USA
- HR US Infra Equity LP, Wilmington/USA
- GLL HRE CORE Properties L.P., Wilmington/USA

Hannover ReTakaful B.S.C. (c), Manama/Bahrain

Participations

HANNOVER Finanz GmbH, Hannover/Germany

WeHaCo Unternehmensbeteiligungs-GmbH, Hannover/Germany

Mosaic Insurance Holdings Limited, Hamilton/Bermuda

FinLeap GmbH, Berlin/Germany

A.2 Underwriting performance

With technical income of TEUR 18,966,964 (previous year: TEUR 19,138,839) and technical expenses of TEUR 19,853,878 (previous year: TEUR 19,094,200), Hannover Re booked a total technical result in accordance with the German Commercial Code of TEUR -886,914 in the 2025 financial year after TEUR 44,639 in the previous year.

Measured in terms of technical result in the 2025 financial year, fire and other property insurance (TEUR 454,726), life reinsurance (TEUR 307,134), general liability insurance (TEUR -982,398), motor vehicle liability insurance (TEUR -466,731) and marine, aviation and transport insurance (TEUR -329,654) contribute materially.

The life reinsurance business has a pronounced international focus. We write our business on all continents. In addition to traditional mortality-oriented life reinsurance business, we also write financial solutions business and longevity business. The technical result decreased from TEUR 420,713 to TEUR 307,134.

Net earned premiums in the fire and other property insurance line decreased from TEUR 6,902,572 to TEUR 6,886,132. The expenses for claims increased moderately and major losses include wildfires in California and Hurricane Melissa.

In 2025, net premiums earned in the general liability insurance line decrease to TEUR 1,772,879 after TEUR 1,786,359 in the previous year. Reserves were significantly strengthened compared to 2024, mainly for US liability.

The health reinsurance line of business shows an increase in premium volume for the reporting period (TEUR 1,975,077 (previous year: TEUR 1,716,468)). Expenses for claims and insurance benefits (net) amounted TEUR 1,493,964, the change in other technical provisions (net) amounted to TEUR -260,039 and operating expenses (net) to TEUR 368,762. This led to an increase in the technical result of TEUR -81,801 for 2025, partly due to less reserve strengthening in Asia.

Net premiums earned in motor third party liability insurance rise to TEUR 1,712,764. The technical result dropped by TEUR 193.230 and showed a loss of TEUR -466,731. This was due to the strengthening of reserves in US-business.

The medical expense insurance and income protection insurance lines, with net premiums earned of TEUR 114,895 and TEUR 191,436 decreased due to the absence of the one-off effect from 2024 resulting from the reallocation of treaties in Thailand and Taiwan. The technical result in medical expense insurance improved from -118,410 to -11,868 but decreased from 46,819 to -9,791 in income protection insurance.

Other financial losses and other business interruptions in particular are reported under the miscellaneous financial losses line. Net premiums earned decreased from TEUR 212,825 to TEUR 185,174. In contrast, expenses for insurance claims remained almost unchanged to TEUR 140,564 from TEUR 140,331 in 2024, resulting in a decreasing technical result of TEUR -22,845 after TEUR -4,075 in 2024.

Hannover Re transacts all lines of business in Property & Casualty as well as Life & Health reinsurance on a global basis. Some geographical areas are covered by subsidiaries which are not consolidated for HGB reporting. In America net premiums earned increase from TEUR 10,327,337 in 2024 to TEUR 11,005,218 in 2025. Conversely net premiums earned decrease from TEUR 2,686,175 to TEUR 2,087,574 in Europe and from TEUR 5,936,666 to EUR 5,688,656 in the rest of the world.

A.3 Investment performance

As a reinsurance company, we naturally focus primarily on value preservation when managing our investments and attach great importance to the stability of the resulting return. We therefore base our investment portfolio on the principles of a balanced risk/return ratio and broad diversification. With an overall low-risk mix, our investments reflect both the currency and maturity composition of our liabilities. Our portfolio currently contains a high proportion of fixed-income securities, so that credit and spread risks account for the highest proportion of market risk.

In the reporting period, our investments performed very satisfactorily and excelled our expectations, although numerous geopolitical and economic challenges continued to cause uncertainty. This was once again reflected in volatile interest-rate markets. On the other hand, the previously inverted yield curves continued to normalize, particularly in the EUR and GBP segments. U.S. Treasuries saw partly significant declines in yields across all maturities. At the beginning of the second quarter, the credit markets experienced considerable nervousness following tariff announcements by the U.S. government, which resulted in sharply rising risk premiums. By the end of the reporting period, however, these had largely returned to levels close to their long-term lows and thus to the levels seen before the announcements..

At TEUR 2,693,203 (TEUR 2,242,501), our ordinary investment income including interest on deposits was above the previous year's level. Not only ordinary income from fixed-interest securities increased slightly compared to the previous year, also income from shares in affiliated companies increased. Gains from the disposal of investments were realised in the net amount of TEUR 498,939 (TEUR 27,512). The sale of a strategic investment had a particularly positive effect. Further this year's activities focused primarily on regular portfolio maintenance and taking advantage of individual market opportunities.

Write-downs on investments were mainly attributable to bearer bonds held as fixed assets and totaled to TEUR 18,841 (TEUR 33,913). The write-downs were partly offset by write-ups of TEUR 1,530 (TEUR 2,892) on investments written down in previous periods due to increased market values. Overall, the net investment result increased to TEUR 3,047,592 (TEUR 2,075,074).

The following overview displays how the investment result achieved by Hannover Rück pursuant to the HGB is broken down into its individual asset classes according to Solvency II, and which part contains income and expenses respectively.

Investment income

in TEUR	Ordinary income	Realised gains	Write-ups
Property, plant & equipment held for own use	2,754	0	0
Property (other than for own use)	461	0	0
Holdings in related undertakings, including participations	1,165,674	570,073	0
Equities - listed			
Equities - unlisted	3,060	0	0
Government Bonds	485,947	356,891	47
Corporate Bonds	509,422	27,437	466
Structured notes			
Collateralised securities	50,076	912	0
Collective Investments Undertakings	51,326	2,767	446
Derivatives	58,472	3,773	0
Loans	18,252	1,531	76
Deposits other than cash equivalents	44,518	3	1
Deposits to cedants	302,416	0	495
Cash and cash equivalents	825	0	0
Total	**2,693,203**	**963,388**	**1,530**

Investment expenses

in TEUR	Write-downs	Realised losses	Other expenses
Property, plant & equipment held for own use	-567	0	-3,626
Property (other than for own use)	-114	0	-501
Holdings in related undertakings, including participations	-5,000	-345	-24,158
Equities - listed			
Equities - unlisted	-119	0	0
Government Bonds	-1,254	-255,656	-26,188
Corporate Bonds	-3,192	-203,551	-21,074
Structured notes			
Collateralised securities	0	-634	-1,339
Collective Investments Undertakings	-7,904	-24	-3,201
Derivatives	0	-3,174	-45,833
Loans	-691	-1,067	-470
Deposits other than cash equivalents	0	0	-908
Deposits to cedants	0	0	0
Cash and cash equivalents	0	0	0
Total	**-18,841**	**-464,449**	**-127,299**

Investment performance

in TEUR	2024			2025		
	Total investment income	Total investment expenses	Investment performance	Total investment income	Total investment expenses	Investment performance
Property, plant & equipment held for own use	2,984	-4,340	-1,357	2,754	-4,193	-1,439
Property (other than for own use)	600	-651	-51	461	-616	-155
Holdings in related undertakings, including participations	814,870	-26,599	788,271	1,735,747	-29,502	1,706,244
Equities - listed				0	0	0
Equities - unlisted	900		900	3,060	-119	2,940
Government Bonds	566,730	-90,248	476,482	842,885	-283,098	559,787
Corporate Bonds	508,198	-112,831	395,366	537,325	-227,817	309,508
Structured notes				0	0	0
Collateralised securities	57,275	-2,181	55,094	50,989	-1,972	49,016
Collective Investments Undertakings	55,021	-4,634	50,386	54,538	-11,130	43,409
Derivatives	31,103	-94,028	-62,925	62,245	-49,007	13,239
Loans	25,814	-2,235	23,579	19,859	-2,228	17,631
Deposits other than cash equivalents	51,145	-1,237	49,908	44,583	-908	43,675
Deposits to cedants	294,656	-172	294,484	302,911	0	302,911
Cash and cash equivalents	4,952	-16	4,936	825	0	825
Total	**2,414,248**	**-339,174**	**2,075,074**	**3,658,181**	**-610,590**	**3,047,592**

Other expenses include the fees for investment management as well as bank and custody fees. Insofar as these are not charged separately for the individual asset classes, they are distributed in the table across the individual items in accordance with their share in ordinary income.

“Collateralised securities” include Collateralised Loan Obligations (CLO). CLOs are assets-backed financial instruments, which consist of a portfolio of fixed income securities divided into several tranches. In principle, high rates of interest are to be viewed as the compensation for increasing probabilities of default, according to which the individual tranches are differentiated from one another. When investing in CLOs, every effort is made within a multilevel risk management system to ensure a sufficient level of investment diversification. In this regard, the investment guidelines established by Hannover Rück stipulate maximum volumes for investments in CLOs. The volume of CLO positions held by Hannover Rück as of the balance sheet date can be found in the following table.

Collateralised Loan Obligations

in TEUR	Market Value
Collateralised Loan Obligations	1,287,782
Total	**1,287,782**

in TEUR	Market Value
Collateralised Loan Obligations	1,287,782
Total	**1,287,782**

A.4 Performance and other activities

A.4.1 Other income and expenses

The following table displays other income and expenses, disclosed as statutory account values HGB.

Other income

in TEUR	2024	2025
Exchange rate gains	112,031	180,956
Profit from services rendered	55,869	52,469
Separate value adjustments on accounts receivable and retrocessions	23,764	16,987
Income from guarantees given	16,538	21,972
Allocated investment return	12,781	52,088
Income from tax refunds	7,539	3,436
Income from the release of non-technical provisions	4,160	3,119
Profit from clearing transactions	3,432	687
Income from reinsurance contracts	2,334	3,477
Profit from cooperation agreement		5,191
Reimbursement of expenses	1,156	2,956
Interest pursuant to § 233 a AO (Fiscal Code)	244	264
Income from discounting pursuant to § 277 (5) HGB (Commercial Code)	24	38
Amounts realised	22	335
Other income	3,146	7,941
Total	**243,040**	**351,916**

Other expenses

in TEUR	2024	2025
Deposit interest	230,403	226,533
Exchange rate losses	204,305	251,814
Financing interest	108,301	100,389
Expenses for the company as a whole	98,561	102,534
Expenses from services rendered	54,298	49,516
Expenses for joint ventures	14,937	0
Separate value adjustments on accounts receivable and retrocessions	9,490	34,705
Interest pursuant to § 233 a AO (Fiscal Code)	7,280	4,385
Interest for repo transactions	6,086	4,332
Interest charges on old-age pension scheme	3,588	3,668
Expenses for letters of credit	3,426	5,725
Write-downs on accounts receivable	2,939	1,969
Interest for hedge accounting	2,118	1,661
Amortisation of intangible assets	1,469	14,321
Expenses from reinsurance contracts	308	1,013
Interest charges from reinsurance transactions	123	494
Compounding of interest on provisions/expense from compounding pursuant to § 277 (5) HGB (Commercial Code)	2	2
Other interest and expenses	4,053	38,592
Subtotal	**751,687**	**841,653**
Less: Technical interest	3,143	1,854
Total	**748,544**	**839,799**

A.4.2 Significant leasing agreements

There are no significant operating or financing-leasing agreements.

Individual operating leasing agreements exist related to office buildings and other assets.

A.5 Any other information

There is no other information to be reported.

B. System of Governance

B.1 General information of the System of Governance

Hannover Rück has an effective system of governance in place which provides for sound and prudent management. The main elements of the System of Governance are described in the following sections.

B.1.1 Governance structure

B.1.1.1 Our Administrative, Management or Supervisory body

Our administrative, management or supervisory body consists of the Executive Board and the Supervisory Board.

Executive Board

The Executive Board consists of at least two persons. Furthermore, it is up to the Supervisory Board to determine the number of members of the Executive Board.

The members of the Executive Board are appointed by the Supervisory Board for a term of five years. Re-appointments for a five year maximum are permissible.

The four key functions (Solvency II) are allocated to the Chairman of the Executive Board. For further information on key functions (Solvency II) please refer to the following sections of chapter B.

Mr. Jean-Jacques Henchoz stepped down from the Executive Board of Hannover Re on 31 March 2025. Mr. Clemens Jungsthöfel took over the position of Chief Executive Officer effective 1 April 2025. Dr. Christian Hermelingmeier succeeded Mr. Jungsthöfel in the role of Chief Financial Officer on the Executive Board on the same date.

The following overview shows the allocation of the areas of responsibility to the members of the Executive Board as of 31 December 2025:

Members of the Executive Board

Chairman	Chief Financial Officer	Property & Casualty Reinsurance			
Clemens Jungsthöfel	**Dr. Christian Hermelingmeier**	**Thorsten Steinmann**	**Sven Althoff**	**Sharon Ooi**	**Silke Sehm**
Communications Audit Operations & Strategy IT Risk Management, Actuarial Function Human Resources Legal Services Compliance	Asset Management Finance & Accounting Reinsurance Valuation & Steering Tax Coordination of International Operations Investor & Rating Agency Relations	Property & Casualty Reinsurance Worldwide responsibility for Agricultural Risks Regional responsibility for Continental Europe, Latin America and North Africa	Coordination of Property & Casualty Reinsurance business group Worldwide responsibility for Aviation and Marine, Credit, Surety and Political Risks, Quotations Regional responsibility for North America, United Kingdom, London Market	Property & Casualty Reinsurance Worldwide responsibility for Facultative Reinsurance Regional responsibility for Asia-Pacific and Sub-Saharan Africa	Property & Casualty Reinsurance Worldwide responsibility for Catastrophe XL (CAT XL), Structured Reinsurance, Insurance-Linked Securities, Retrocessions, Cyber & Digital

Life & Health Reinsurance	
Claude Chevre	**Brona Magee**
Life & Health Reinsurance Worldwide responsibility for Life & Health services Regional responsibility for Africa, Asia, Australia, Latin America, Middle East, Continental Europe	Life & Health Reinsurance Worldwide responsibility for Longevity Solutions Regional responsibility for North America, Bermuda, United Kingdom and Ireland

Supervisory Board

The Supervisory Board consists of nine members appointed by the Annual General Meeting (AGM). Of these nine members, three shall be appointed on recommendation by the employees. The AGM is bound by these recommendations for the appointment of the employees' representatives. Apart from those, the AGM can freely propose candidates. Every member of the Supervisory Board can resign from his membership by adhering to a notice period of one month, without any obligation to specify an important reason, by written notice to the Company, represented by the Management Board and the Chairman of the Supervisory Board (if notice is given by the Chairman himself, to his deputy). The Chairman of the Supervisory Board may choose to forgo adherence to this notice period.

The successor elected to replace a member who steps down before the end of the fixed term shall serve for the remainder of that term. As of 31 December the Supervisory Board consists of the following members:

Members of the Supervisory Board and membership in committees

Members of the Supervisory Board	Standing Committee	Finance and audit Committee	Nomination Committee	Staff represen-tative
Torsten Leue, Chairman	X	X	X	
Herbert K. Haas, Deputy Chairman	X	X	X	
Sibylle Kempff				X
Timo Kaufmann				X
Ilka Hundeshagen	X			X
Dr. Ursula Lipowsky		X	X	
Dr. Michael Ollmann	X			
Dr. Alena Kouba			X	
Harald Kayser	X			

The Supervisory Board may form committees from among its members and authorize them to pass resolutions, to the extent permitted by law.

In the 2025 financial year, the Supervisory Board performed its duties according to the law and the company's statute with due diligence. The management of business was monitored on the basis of regular, comprehensive and timely reporting by the Executive Board. The Executive Board kept the Supervisory Board continuously informed about all material aspects of corporate governance, most notably the strategy, planning, development of business, risk position, risk management and compliance. The Chairman of the Supervisory Board stayed in close contact with the Chairman of the Executive Board between meetings to discuss strategic and operational issues. The Chairwoman of the Finance and Audit Committee kept up a regular dialogue with the Chief Financial Officer and the independent auditor on matters of accounting and the internal control system.

There were no changes in the composition of the Supervisory Board and its committees in the year under review.

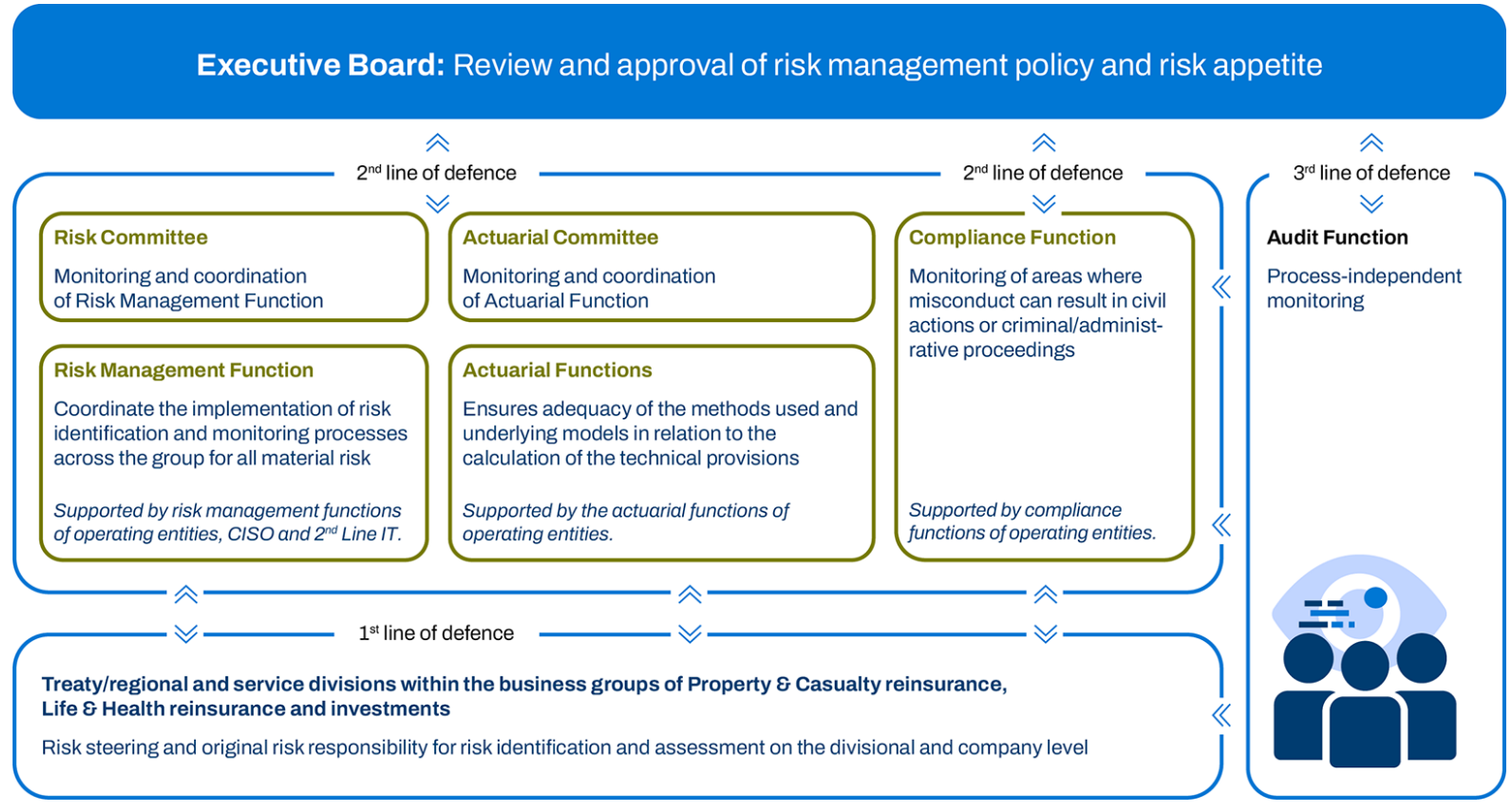
B.1.1.2 Key functions

Hannover Re has Group-wide risk management functions to safeguard an efficient and effective risk management system. The individual elements of the risk management functions are closely interlinked and the roles, tasks and reporting channels are clearly defined and documented in terms of the so-called three lines of defence model.

The first line of defence consists of the risk steering and the original risk responsibility at divisional and company level within the business groups of property and casualty reinsurance and life and health reinsurance.

The second line of defence is made up of the core functions risk management, the actuarial function and the compliance function. These functions are responsible for process-integrated monitoring and control. The third line of defence is the process-independent monitoring performed by the internal audit function.

The following chart provides an overview of the central functions and bodies within the overall system as well as of their major tasks and powers:



B.1.2 Remuneration policy

B.1.2.1 Remuneration of the executive board

The remuneration ensures a transparent, performance-related incentive, strongly focused on the company's long-term success, which in particular depends on financial and non-financial performance criteria derived from the Group strategy and on the performance of the Hannover Rück SE share, including in a relative comparison with our peers.

The members of the Executive Board are remunerated in light of the company's position and according to their performance and their scope of activity and responsibility. In order to reinforce the concept of pay-for-performance, the target direct remuneration (sum of fixed remuneration and target amounts of the variable remuneration components in the event of 100% target attainment) is comprised of 40% fixed remuneration and 60% variable remuneration components. The variable remuneration consists of a Short Term Incentive (STI) and a Long Term Incentive (LTI) with a performance period of four years. The STI is geared to Hannover Re's commercial success in the relevant financial year. The LTI is structured in the form of a performance share plan and thereby incentivises increases in the value of the Hannover Rück share in the interests of our investors.

The variable remuneration is defined at the Supervisory Board meeting that approves the consolidated financial statement for the financial year just ended.

The total remuneration granted and owed for the active board work of all members of the Executive Board amounted to TEUR 11,210 in 2025.

B.1.2.2 Remuneration of the supervisory board

The remuneration of the Supervisory Board is determined by the Annual General Meeting of Hannover Rück and regulated by the Statute.

The total remuneration received by the Supervisory Board of Hannover Rück amounts to TEUR 1,440.

B.1.2.3 Remuneration of staff and senior executives

The remuneration system for senior executives below the Executive Board (management levels 2 and 3) and for key function holders in Germany belonging as a matter of principle to the ranks of senior executives consists of a fixed annual salary and variable remuneration. This is comprised of short-term variable remuneration, the annual cash bonus and long-term share-based remuneration, the Share Award Plan.

Non-management employees can participate in a variable remuneration system through the Group Performance Bonus (GPB). The GPB is a remuneration model that is linked to the success of the company.

B.1.3 Related party transactions

Talanx AG holds an unchanged majority interest of 50.2% in Hannover Rück SE. For its part, Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit (HDI), Hannover, holds a majority interest in Talanx AG.

The business relationship between Hannover Rück SE and its subsidiary E+S Rückversicherung AG is based on a cooperation agreement. A retrocession by Hannover Rück SE to E+S Rückversicherung AG exists in property and casualty reinsurance. The German life and health reinsurance business of E+S Rückversicherung AG was transferred to Hannover Rück SE in the year under review.

The members of the governing bodies did not receive any advances or loans in the year under review. Nor were there any other material reportable circumstances or contractual relationships as defined by IAS 24 between companies of the Hannover Re Group and the members of the governing bodies or their related parties in the year under review.

B.2 Fit and proper requirements

B.2.1 Requirements

Hannover Re maintains an internal guideline on the professional suitability and reliability of board members and persons responsible for acting in key functions, that is regularly updated and approved by the Executive Board and Supervisory Board. The key functions include as a minimum compliance, risk management, internal audit and actuarial mathematics. The guideline describes the requirements for Board members and key function holders and is based on the current regulatory requirements and the requirements of the company.

Professional suitability

Members of the Executive Board and Supervisory Board must at all times demonstrate the professional suitability that they require to fulfil their management and supervisory function. They must also always be able to actively monitor the company's developments at all times. This requires an understanding of the business transactions carried out by the company and the ability to assess the resulting risks for the company within the framework of the statutory provisions. The company draws up a specific requirements profile for Management Board members and sets out the extent to which a proposed member fulfills this profile. When assessing the following criteria in particular are to be taken into account: sufficient theoretical and practical knowledge of the business areas (expertise), relevant experience in the insurance sector, other financial sectors and other companies (market knowledge), knowledge of the internal model, language skills and analytical skills. Any lack of professional aptitude can be acquired through appropriate further training. The professional aptitude must be currently available. The requirements for the professional qualifications of the holders of the other key functions are closely linked to the specifics of the respective governance tasks. When assessing the professional suitability, the following criteria in particular must be taken into account: professional qualifications and knowledge (specialist knowledge), management expertise, relevant experience in the insurance sector, other financial sectors and other companies (market knowledge), language skills and analytical understanding. In the event that key functions are outsourced, the outsourcing company must ensure that the persons of the service provider who are responsible for the key task are sufficiently professionally qualified and personally reliable. The outsourcing company must appoint an outsourcing officer for this purpose. The person is responsible for the respective key function in the company. The supervising outsourcing officer is responsible for the proper fulfilment of the tasks associated with the outsourcing of the key function. No key functions were outsourced in 2025.

Personal reliability of Board members and key function holders

All members of the Supervisory Board, Executive Board and holders of key functions must be responsible and act with integrity. They must fulfil their duties conscientiously and with due care. The assessment of whether a

person is reliable includes an evaluation of their honesty and the soundness of their financial circumstances, personal behavior and business conduct, including any criminal, financial and regulatory issues relevant to the purposes of the assessment. Reliability does not need to be positively proven. Reliability is assumed if no facts are recognisable that justify unreliability. Unlike in the context of professional aptitude, the principle of proportionality does not apply to the determination of personal reliability. The company promotes continuous professional development through a variety of training programs tailored to actual needs in order to ensure professional suitability in consideration of changing requirements. In order to ensure ongoing compliance with the relevant requirements, an annual self-assessment is carried out by the members of the Supervisory Board and the Executive Board and holders of key functions.

B.2.2 Evaluation process

Professional suitability and personal reliability are checked in particular on the basis of the following documents:

1. Curriculum vitae
2. If applicable, the form “Personal declaration with information on reliability” from BaFin
3. Certificate of good conduct
4. Extract from the central trade register
5. Proof of further training(s)
6. Self-assessment, if applicable

The curriculum vitae in particular also serves to identify possible conflicts of interest and an assessment of time availability. The company reviews compliance with the catalog of requirements in the event of changes in personal characteristics (e.g. new findings about the integrity of the person) or characteristics in the position (e.g. changes in the professional requirements for fulfilling the position).

The qualifications required for the holders of the key functions Compliance, Internal Audit, Risk Management and Actuarial Mathematics are included in the relevant position descriptions.

To ensure ongoing compliance with the relevant requirements, the process was amended in 2025 and will be conducted on a yearly basis by the responsible organizational unit. The most recent review of the profile requirements took place in December 2025.

B.3 Risk Management System including the Own Risk and Solvency Assessment

B.3.1 Risk management system including risk management function

B.3.1.1 Strategy implementation

Robust governance and strong risk management establish the foundation for our business operations. This is enshrined in our company strategy.

The risk management strategy, the risk register and the system of limits and thresholds – as integral components of our Risk and Capital Management Policy – are reviewed at least once a year. In this way we ensure that our risk management system is kept up-to-date.

Our solvency ratio is subject to a limit of 180% and a threshold of 200%. Countermeasures would be triggered if the solvency ratio were to fall below this threshold. These indicators are monitored using our internal capital model and the Executive Board is informed quarterly about adherence to these key parameters as part of regular reporting. The necessary capital resources are determined according to the requirements of our economic capital model, solvency regulations, the expectations of rating agencies with respect to our target rating and the expectations of our clients. Above and beyond that, we maintain a capital cushion in order to be able to act on new business opportunities.

B.3.1.2 Risk capital

In the interests of our shareholders, clients and employees we strive to ensure that our risks remain commensurate with our capital resources. Our quantitative risk management provides a uniform framework for the evaluation and steering of the risks affecting the company as well as of our capital position. The internal capital model—a stochastic enterprise model—is a central tool in this context. It covers all subsidiaries and business groups of Hannover Rück. The core variable in risk and enterprise management is the economic equity, which is calculated according to market-consistent valuation principles and also constitutes the basis for calculating the own funds under Solvency II.

Hannover Rück calculates the required risk capital as the Value at Risk (VaR) of the economic change in value over a period of one year with a confidence level of 99.5%, in accordance with Solvency II. Independent of the regulatory reporting requirements, Hannover Rück calculates the capital requirements with a full internal model. This leads to desired capital requirements for market risks, underwriting risks, counterparty default risks and operational risks.

We strive for a rating from the rating agencies most relevant to our industry that facilitates and secures our access to all reinsurance business worldwide. Hannover Re is analysed by the rating agencies Standard & Poor’s (S & P) and A.M. Best as part of an interactive rating process. The current financial strength is assessed as “AA-” (Very Strong, stable outlook) by Standard & Poor’s and “A+” (Superior, stable outlook) by A.M. Best. In this context both Standard & Poor’s and A.M. Best consider Hannover Re’s risk management to be a very important aspect in the evaluation of financial strength and rate it as “very good”.

Against the backdrop of the planned growth of our business in property and casualty reinsurance and selected areas of life and health reinsurance, we continuously track the impacts on our capitalisation and rating. In order to safeguard an adequate level of capitalisation and our rating, we initiate measures promptly based on forecasts. Possible measures include, among others, adjusting the structure and scope of our retrocessions, adjusting the amount of debt capital and managing business growth through risk budgets.

B.3.1.3 Internal model governance

The governance of the internal model is defined in a number of documents and policies. In particular, governance rules include roles, responsibilities and standards for changes to the internal model and model validation as well as standards for internal and external data and expert settings used in the internal model. The rules have been set-up in compliance with the requirements of Solvency II.

The risk management function provides quarterly reports on internal model results and changes to the Executive Board and the Risk Committee. The reporting supports the tracking of changes to the risk profile and the

solvency ratio over time. Apart from this reporting, internal model results are embedded in essential internal steering processes such as capital cost allocation and new product evaluation.

The annual model validation ensures that the internal model meets all defined quality standards of the policies. The Solvency II directive requires that the validation is performed as an independent process. Therefore, Hannover Rück has set-up a validation process which assigns validation to departments different from the departments responsible for model operation, calibration and maintenance. The validation report includes numerous stress tests and sensitivity analyses.

There have not been any significant changes in the model governance during the reporting period. The model change policy remained unchanged as well.

B.3.1.4 Organization of risk management and the tasks of the risk management function

An overview of risk management's organizational structure is provided in Section B.1.1.2 above.

The risk management function consists of three primary components: the Risk Committee, the Chief Risk Officer and the risk management.

Risk Committee

The tasks of the Risk Committee – the body charged with the monitoring and coordination of risk management – are derived from the Rules of Procedure regarding the Risk Committee. The scope of decision-making for the Risk Committee lies within the boundaries of risk appetite set by the Executive Board. Changes, and any instances of increase in risk appetite, require the approval of the Executive Board. Further tasks include quality assurance of the ORSA process (cf. section B.3.2) and monitoring of the implementation of risk-related measures. The Risk Committee also receives the model change reports according to the model change policy.

Chief Risk Officer

The Chief Risk Officer is also the head of the risk management and member of the Risk Committee. Among other things, the Chief Risk Officer coordinates the ORSA process and ensures the framework conditions of an effective risk management system.

Risk management

The risk management coordinates and bears responsibility for comprehensive management (systematic identification, evaluation, monitoring and reporting) of all significant risks and the regular execution of the ORSA process. Furthermore, the risk management develops methods, standards and processes for the assessment and monitoring of risk.

The risk management fulfills its tasks objectively and independently for Hannover Rück.

During the reporting period, numerous systems and processes were improved. This enables a more detailed and faster analysis of risk exposure. Besides this, the risk management supported other divisions in integrating key controls into their policies, to increase transparency of risk control measures. Furthermore, internal model changes and improvements were made. Assessments of the impact of new products and capital were also carried out.

B.3.1.5 Key elements of our risk management system

Our Risk and Capital Management Policy, including our risk management strategy and the system of limits and thresholds for material risks of Hannover Rück, describes the central elements of our risk management system. It is subject to a constant cycle of planning, action, control and improvement. Systematic risk identification, analysis, evaluation, steering and monitoring as well as risk reporting are especially crucial to the effectiveness of the system as a whole.

The Risk and Capital Management Policy describes, among other things, the major tasks, rights and responsibilities, the framework conditions and the risk control process. The key controls, which are derived from the corporate strategy and the risk management strategy, additionally take account of the regulatory requirements for risk management as well as international standards and developments relating to appropriate enterprise risk management, i.a. by the definition of key controls.

Risk identification

A key source of information for managing risks is the risk identification carried out on a rotating basis. All identified material risks are documented in the central register. Risk identification takes the form of, for example, structured assessments, interviews or scenario analyses. External insights such as recognised industry know-how from relevant bodies or working groups are incorporated into the process. Risk identification is important for ensuring that our risk management consistently remains up-to-date.

Risk analysis and evaluation

In principle, every risk that is identified and considered material is assessed quantitatively. Only risk types for which quantitative risk measurement is currently impossible or difficult are mostly assessed qualitatively (e.g. strategic, reputational or emerging risks). Qualitative assessment takes the form of inter alia expert evaluations. Quantitative assessment of material risks and the overall risk position is performed by Group Risk Management using the internal risk model. The model makes allowance as far as possible for risk accumulations and concentrations.

Risk steering

The steering of all material risks is the task of the operational business units at the divisional and company level. In this context, the identified and analyzed risks are either consciously accepted, avoided or minimized. The risk / benefit ratio and the Solvency Capital Requirement are factored into the division's decision. Risk steering is assisted by, among other things, key controls in policies, the rules of the central and local underwriting guidelines and by defined limits and thresholds.

Risk monitoring

The central task of risk management is the continuous monitoring of all identified material risks. This includes, in particular, overseeing the implementation of the risk management strategy, ensuring compliance with defined limits and thresholds, and monitoring risk-relevant methods and processes. Another key focus is verifying whether the risk-mitigation measures have been implemented and whether their intended effect is sufficient.

Risk reporting

Our risk reporting provides systematic and timely information about all material risks and their potential implications. The central risk reporting system consists primarily of regular risk reports, e.g. on the overall risk situation, adherence to the parameters defined in the risk management

strategy or on the capacity utilization within specific catastrophe scenarios. In addition to the regular risk reporting, immediate internal reporting on material risks that emerge at short notice takes place as necessary.

Risk communication and risk culture

Group-wide risk communication and an open risk culture are important to our risk management. Risk management is firmly integrated into our operational processes and requirements are stated in guidelines and policies, which are communicated Group-wide. It is assisted by transparent risk communication and the open handling of risks as part of our risk culture. Risk communication takes the form, for example, of internal and external risk reports, in the context of committee and project work, through information on current risk complexities in the intranet and training opportunities for staff. The regular sharing of information between risk-steering and risk-monitoring units is also fundamental to the proper functioning of risk management. Regular global meetings attended by the actuarial units and risk management functions serve as a major anchor point for strategic considerations.

Process-integrated / -independent monitoring and quality assurance

Irrespective of internally assigned competencies, the Executive Board is responsible for the orderly organization of the company's business. This also encompasses monitoring of the internal risk steering and control system. Furthermore, the Executive Board is the owner of the economic capital model and is responsible for the approval of major model changes. Process-independent monitoring and quality assurance of risk management is carried out by the internal audit function and external instances (regulators, independent auditors and rating agencies). Most notably, the independent auditors review the internal risk monitoring and control systems.

B.3.2 Own Risk and Solvency Assessment (ORSA)

The ORSA cycle mirrors our process of planning, action, monitoring and finally enhancement, and comprises the elements listed in Section B.3.1.5.

The ORSA report is prepared on an annual basis and summarises the results of the last ORSA cycle. Here, the internal model is used, especially for the calculation of solvency requirements in comparison to the allocated risk capital. The interplay between risk and capital management is also highlighted. Additionally, it explains the inclusion of the Executive Board into the ORSA process and its use as one of the controlling instruments at the company's disposal.

The ORSA report is coordinated by the risk management division and is subject to both assessment and approval by the Executive Board. In addition, the report is submitted to the Supervisory Board and to BaFin.

Risk reporting

Group Risk Management regularly prepares reports, which show the company's risk position. This includes internal and external risk reports, results reports on the internal model runs including solvency calculations and risk limits for natural disasters.

These reports form the basis for the solvency and risk assessments described in the ORSA report. Therein, all employees contributing to the above procedures are involved as data and information suppliers, and are consulted for quality assurance purposes.

The Executive Board takes the results of the ORSA cycle into account when assessing the degree of accomplishment of defined business targets. If needed, changes in the business process take place. This establishes a surveillance process for business enhancements and risk mitigation.

In the event that—because of a material change in risk profile—an ad hoc ORSA report becomes necessary, Hannover Rück has defined specific procedural plans and responsibilities.

In addition to the regular supervisory reporting (e.g. internal risk report, ORSA report), this annual Solvency and Financial Condition Report (SFCR) and an annual Regular Supervisory Report (RSR) are generated.

B.4 Internal control system

B.4.1 Elements of the internal control system

The internal control system (ICS) is an integral part of the risk management system and compiles the entirety of controls within the organisation. Particularly important controls are labelled as key controls and listed in policies. The ICS safeguards:

- the adherence to laws and regulations and contractual agreements as well as internal stipulations,
- the accuracy of relevant records and
- the operation within defined risk tolerance.

The core elements of Hannover Re's ICS are summarised in a policy that sets out the framework at Group level and establishes the common understanding of (key) controls and their execution, roles and responsibilities for the stipulation of controls as well as standards for control documentation, testing and reporting. The system includes structured organisational measures, such as the principle of dual control, separation of functions and documentation, and technical measures, such as plausibility checks and access privileges in the IT systems.The proper functioning of the ICS necessitates the involvement of management, policy-, process- and control owners and employees on all levels.

In particular, financial reporting must satisfy international and national financial reporting standards as well as regulatory requirements. Completeness and accuracy of the annual and consolidated financial statements (incl. Hannover Rück SE) are to be ensured. This is safeguarded by identifying and minimising the risk of errors in the annual and consolidated financial statements at an early stage, with differentiated criteria, control points and materiality thresholds.

In order to safeguard and continuously improve the adequacy of the control system it is subject to regular review and evaluation. In this regard, the internal audit function ensures that the quality of the control system is constantly monitored.

B.4.2 Compliance function

Implementation of the compliance function

Hannover Rück has opted for a decentralized approach towards the implementation of the compliance function: responsibility for Compliance lies with GLS but the tasks of the compliance function are fulfilled by various specialized departments as well.

The head of the department Group Legal Services (GLS) is the holder of the key compliance function as well as the Chief Compliance Officer (CCO) of the Hannover Re Group.

The Executive Board of Hannover Re has established the compliance division within GLS responsible for the oversight of the fulfillment of the tasks of the compliance function. As mentioned above, the compliance function is supported by different specialized departments, e.g. employment law remains the responsibility of the Human Resources department, and tax law falls under the jurisdiction of the Tax department of Hannover Rück.

Tasks

The handling of subjects of particular compliance relevance by the departments, who collectively form the compliance function, comprises at least the following activities:

- Identification and evaluation of risks, which are associated with the non-compliance of statutory requirements (risk control)
- Evaluation of the possible consequences for the company's activity as a result of changes in legal operating conditions (risk relating to changes in the law/early warning)
- Consultation with regard to compliance with the legal provisions which apply to company activity
- Assessment of the appropriateness of implemented measures in relation to compliance with statutory requirements (monitoring function)

Every year, the CCO prepares a compliance plan for the following year. This plan determines where the key areas of compliance activity should be in the subsequent year. The plan takes into account all relevant areas of activity of the company and the compliance risk situation.

The Executive Board and the Supervisory Board of Hannover Rück last updated the Code of Conduct (CoC) of the Hannover Re Group in 2022. The CoC is published on the Hannover Rück website.

Hannover Rück has specified its Compliance Management System (CMS) in the “Compliance Group Policy”. This policy is regularly assessed by the members of staff from the compliance division for its pertinence and, if necessary, updated at least once a year or on an event-driven basis when new developments occur.

In addition to Talanx AG's whistleblower system, Hannover Rück has set up a separate Speak-up system through which incidents concerning the Hannover Re Group can be reported directly to the compliance division, also anonymously.

Reporting

As the holder of the key function compliance, the CCO reports directly to the Chief Executive Officer (CEO).

The annual compliance report of Hannover Re which is presented to the Supervisory Board in its Finance & Audit Committee meeting by the CCO is based inter alia on the results of the monitoring activities of both the Hannover and Local Offices as well as the compliance reports by the Local Offices. The report contains information on all compliance-relevant topics.

B.5 Internal audit function

Implementation of the Internal Audit Function

The Company's internal audit function is performed by the department Group Audit (GA). GA provide independent objective audit services, including evaluations and measures, which help in particular to ensure external and internal compliance of processes, the internal control system (ICS) and other areas of the Company, identify potential scope for improvements and hence generate added value. Along with the auditing activity, GA provides value-adding inputs as an internal advisor in its interconnected cooperation with other units and functions of the Company.

The Executive Board guarantees that GA is not bound by any instructions in the planning of audits, conduct of audits, reporting and evaluation of audit results. In order to safeguard this independence, the Head of GA, who is at the same time the key function holder for the internal auditing of the Company pursuant to Section 30 as well as Section 47 No. 1 VAG, reports directly to the Executive Board. GA team members are not employed in other areas of the Company and only perform tasks that are in conformity with the GA "Internal Audit Charter". This charter, which has been approved by the Executive Board, also sets out the powers of the internal audit function. Additionally, GHR is responsible for an adequate Fit & Proper assessment process for Key Function Holders and ensures adherence to the process.

The GA team encompasses staff with various areas of expertise, university degrees and supplementary vocational examinations in order to cover the wide specialist spectrum of (audit) tasks. The members of staff in GA have a broad mix of professional experience both internally (in specialist terms especially from the underwriting side) and externally (especially from external auditing and consulting). If a need for special capacity or expertise arises, GA can additionally involve internal peers and/or appropriate external resources.

Tasks

GA supports the Executive Board in the achievement of objectives by evaluating all business centers, processes and systems of the Company on a targeted, independent and objective basis through a systematic, risk-oriented approach in the planning and conduct of audits and by contributing to further development. Audit results are reported directly to the full Executive Board. The evaluation of individual observations and the overall evaluation of the audit result are the exclusive responsibility of GA. The classification scheme defined by GA for this purpose ensures an objective basis for the evaluations made.

Reporting lines

The internal audit function reports its audit results and measures directly to the Executive Board on an ongoing basis through written audit reports, or immediately in the case of serious observations, as well as annually in the form of the GA Annual Report. Implementation of the measures agreed upon in the audits is monitored by GA at the specified due dates.

B.6 Actuarial function

Implementation of the Actuarial Function

The Actuarial Function (AF) follows a decentralized setup, as the given tasks are fulfilled by several organizational units. Utilization of the expertise and processes, which are directly linked to the core tasks of the respective organizational unit, ensures adequate actuarial knowledge for all tasks of the AF.

The responsible owner of the AF coordinates all tasks related to the AF. He is assigned to the risk management department of the company, but operates objectively and independently in respect of fulfilling the requirements in undertaking the AF. In exercising his function, the responsible owner of the AF receives support from several units within the risk management department and from other departments of the company.

Furthermore, it is the common understanding of AF and Risk Management Function (RMF) that a broad exchange of information and a competent support of each other's function is useful to fulfil their individual tasks in an effective and efficient way.

With respect to an opinion on the underwriting policy, the AF is supported by those departments assigned to the risk management, which are concerned with premium risk and with the measurement of underwriting risk, respectively. For the evaluation of the retrocession and the accompanying risks, there is a close collaboration between the involved risk management departments. In addition, those departments are consulted for coordinating the retrocession program of the company.

Tasks

The tasks of the AF are inter alia:

- Coordination and validation of the calculation of the Solvency II technical provisions (TP)
- Ensure the appropriateness of the applied methods, the underlying models and assumptions
  - used for the calculation of the TP for solvency as well as for accounting purposes
  - used as a basis for the appropriate recognition of the inherent risks of these methods, models and assumptions in the internal model
- Evaluation of the uncertainty associated with the estimations made in the calculation of the TP
- Regular review and assessment of the underlying data in terms of sufficiency and quality
- Regular comparison of best estimates against experience
- Reconciliation of TP between local accounting principles and Solvency II
- External validation and quality checks by actuarial consulting companies in addition to the internal validation of the TP
- Recommendations on improving processes and models used for the calculation of the TP, including data collection, if deficiencies have been observed, and monitoring of their implementation
- In the context of the contribution to the RMF inter alia
  - Support of the internal model, especially with respect to underwriting risks including the delivery and validation of models, data, parameters)
  - Monitoring of the resilience level within the scope of the system of limits and thresholds
  - Analysis of large transactions and new types of business
- Preparation of the AF report containing inter alia the following topics
  - Tasks of the AF
  - Activities of the AF in the reporting period
  - Methods, results and sensitivity analyses in respect of TP
  - Opinion on the underwriting policy and on the retrocession policy.

Reporting Lines

In addition to the annual AF report, the responsible owner of the AF reports regularly directly to the Executive Board and to the Actuarial Committee, which is the responsible committee for the information exchange with the AF. If necessary, the AF reports to the Board or the Actuarial Committee on an ad hoc basis or upon requests and vice versa. Any requests of these two bodies were directed to the responsible owner of the AF. These direct reporting lines ensure the independence of the AF from the other key functions and the operational management.

B.7 Outsourcing

Hannover Re has a policy in place approved by the Executive Board, which governs external and intra-group third-party provisions including outsourcing and information & communication technology services. The management process for third-party provisions includes:

- Initial analysis, including materiality assessment as well as due diligence and risk assessment for selection
- Legal check
- Approval and notification
- Continuous steering and monitoring, including review of due diligence and risk assessment as well as incident management
- Change and termination/exit
- Reporting

All relevant stakeholder groups are involved in the risk governance process. Additionally, a central organisation has been built up to coordinate the overarching core procurement process.

Hannover Re has currently outsourced essential parts of the investment management to Ampega Asset Management GmbH, located in Cologne (Germany), as well as cloud-based IT services to Microsoft Ireland Operations Limited, located in Dublin (Ireland). These services are the only outsourcings classified as important.

B.8 Any other information

B.8.1 Evaluating the appropriateness of the system of governance

On an annual basis, the Executive Board receives an opinion on the adequacy of Hannover Rück's System of Governance (SoG) from the System of Governance Assessment Committee (SoGAC) regarding the past financial year. This opinion presented by the committee dated 23 March 2026 was assessed and approved by the Executive Board.

Members of the committee are the Heads of Hannover Rück's key functions (Actuarial Function, Internal Audit, Risk Management, and Compliance), the Head of Global Human Resources and the Head of Group Transformation & Operations. It usually convenes twice a year. Guests are invited on an event-driven basis. The basis for the assessment of the SoG includes, among other things, the annual reports submitted by the key functions.

Based on the assessment conducted by the committee, the Executive Board has reached the conclusion that the SoG of Hannover Rück is

appropriate considering the scope and complexity of its business activities and the inherent risks.

B.8.2 Other information

Other information that has a significant influence on the system of governance is not available.

C. Risk Profile

The risk landscape is displayed in the following graph.

Risk landscape of Hannover Re

In the context of its business operations Hannover Rück is confronted with a broad variety of risks. These risks are deliberately accepted, steered and monitored as appropriate to the actions taken on the associated opportunities. The parameters and decisions of the Executive Board with respect to the risk appetite of Hannover Rück, which are based on the calculations of risk-bearing capacity, are fundamental to the acceptance of risks.

Currently, our most significant individual risks are the default and spread risks within the market risks, the reserving and catastrophe risks within the underwriting risks of property and casualty reinsurance and the mortality (incl. catastrophe) and morbidity & disability risks within the underwriting risks of life and health reinsurance.

Retrocession has a particular significance within risk appetite and risk reduction. It is used to protect the capital of Hannover Rück. This ensures that Hannover Rück can benefit from any price increases following a market-changing event. The process of strategic placement for Hannover Rück, its branches and its subsidiaries is determined by the responsible Board member and overseen by the Board as a whole.

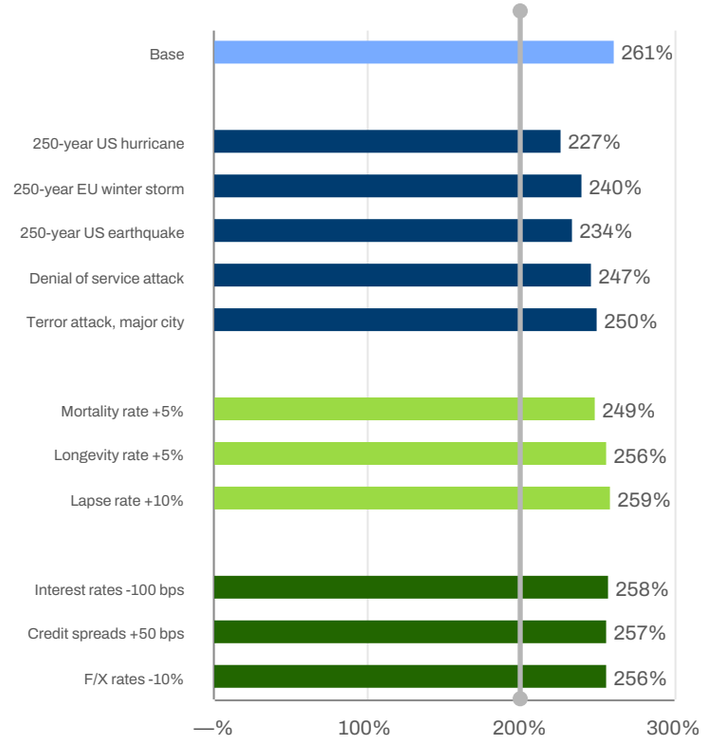
In the course of the medium-term planning, we monitor the business development over a time horizon of five years. Besides the basic scenario, we also consider alternative scenarios in respect of the evolution of (re)insurance markets including different impacts related to business growth and performance. Under the assumptions within the medium-term business plan, the risk profile and the capitalisation of Hannover Rück remain comfortable. It is worthwhile to notice that the forecast of the capital requirements is based on various assumptions for the future economic and business environment and is therefore to be handled carefully.

Large transactions are assessed with regard to their influence on the risk profile, capitalisation, and the defined thresholds for different risk categories. This ensures that the risks develop in line with our risk appetite.

New reinsurance and investment products are analysed under a dedicated process, namely the New Products Process (NPP). In addition to analysing the risk profile, integration into all internal processes, such as accounting and risk monitoring, is defined.

In addition to stochastic modelling, we perform stress tests, scenario and sensitivity analyses on a regular basis. This represents a central element of our risk management. The main stress tests and analyses have to be performed at least annually. They include analyses regarding natural catastrophes, terror events, equity and fixed-income securities as well as real estate. Selected scenarios and stress tests based on the Solvency II ratio for year-end 2025 are presented in the following graph.

Sensitivities of the Solvency II ratio YE 2025
Values in percent



As of year-end 2025 the Solvency II ratio is well protected against parallel downward shifts of interest rates, available capital and the Solvency Capital Requirement move by similar amounts. However, this does not hold for nonparallel stress scenarios. A decrease in interest rates in combination with an interest rate twist – as could be observed in the past – can lead to a more notable decrease in the Solvency II ratio.

Hannover Rück is the legal entity heading Hannover Re Group. It holds a number of participations, which are included into management applications in a look-through manner, i.e., based on the underlying risk and return profile. Look-through means that the underlying risks are analysed instead of purely looking at the risk of a change in the participation values as e.g., per Solvency II standard formula. This look-through perspective corresponds to a modelling approach of Hannover Rück as the entire Hannover Re Group after excluding minorities. This means that the perception of the key risk indicators shown in the following sections (look-through) differs from that of the exposures or volumes (no look-through for participations) in Section D but corresponds to the internal model view approved by the supervisory authority.

In the following section, we present the current risk situation per risk category.

C.1 Underwriting risk

C.1.1 Underwriting risk Property & Casualty

Risk management in property and casualty reinsurance has defined various overall guidelines for efficient risk steering. These include, among other things, the use of retrocessions to reduce volatility and conserve capital. Furthermore, it is important to utilize the available risk budgets based on the risk management parameters of Hannover Rück and to steer the acceptance of risks systematically through the existing central and local underwriting guidelines. Our conservative reserving level is a key factor in our risk management, too.

For risk steering purposes, we make a fundamental distinction between risks that result from business operations of past years (reserve risk) and those stemming from activities in the current or future years (price / premium risk). Particularly in the latter case, special importance attaches to the catastrophe risk.

Diversification within the Property & Casualty reinsurance business group is actively managed through allocation of the cost of capital according to the contribution made to diversification. A high diversification effect arises out of the underwriting of business in different lines and different regions with different business partners. In addition, the active limitation of individual risks—such as natural catastrophes—enhances the diversification effect. The risk capital with a confidence level of 99.5% for underwriting risks in property and casualty reinsurance breaks down as follows:

Solvency Capital Requirement for underwriting risks in property and casualty reinsurance

in TEUR	2024	2025
Premium risk (including catastrophe risk)	4,862,253	4,894,003
Reserve risk	3,947,188	4,225,092
Diversification	-2,156,902	-2,302,052
Underwriting risk property and casualty	**6,652,539**	**6,817,043**

Underwriting Risk P&C increases mainly due to the business growth, including higher capacities for natural catastrophe risks as well as claims development and the associated higher reserve. The increase is mitigated by the appreciated EUR against foreign currencies.

C.1.1.1 Risks arising from natural disasters

A large share of the Solvency Capital Requirement for the premium risk (including catastrophe risk) is attributable to risks from natural disasters. They constitute the main concentration risk in property and casualty reinsurance. The following table shows the Solvency Capital Requirement for five of our largest natural hazards scenarios. The natural catastrophe risk was increased over the course of the year. However, the effect was partially mitigated by the USD's depreciation relative to the EUR

Required risk capital [1] for five large natural hazards scenarios

in TEUR	2024	2025
Hurricane US	3,079,529	3,074,386
Earthquake US West Coast	2,197,039	2,320,476
Winter storm Europe	1,586,656	1,768,711
Earthquake Japan	1,267,132	1,194,359
Earthquake Chile	1,684,896	1,990,411

[1] Required risk capital with a confidence level of 99.5% on an aggregate annual loss basis

For the purpose of assessing our material catastrophe risks from natural hazards (especially earthquake, windstorm and flood) we use licensed scientific simulation models, supplemented by the experience of our own specialist departments. The monitoring of the risks resulting from natural hazards is rounded out by scenario analyses.

As part of this process for steering risks connected with natural catastrophes, the Executive Board defines the risk appetite and the limit for natural perils once a year on the basis of the Risk Management Strategy.

Risk management considers numerous scenarios and extreme scenarios, determines their effect on portfolio and performance data, evaluates them in relation to the planned figures and identifies alternative courses of action.

For the purposes of risk limitation, maximum amounts are also stipulated for various extreme loss scenarios and return periods; the limits set take into account the profitability of the respective business. Risk management ensures adherence to these maximum amounts. The Executive Board, the Risk Committee and the P & C Executive Committee are kept regularly updated on the degree of capacity utilisation.

C.1.2 Reserve risk

The reserve risk, i.e. the risk of under-reserving of incurred or foreseeable losses and the resulting burden on the underwriting result, is a high priority in our risk management. We attach importance to maintaining a conservative reserving level. In order to counter the risk of under-reserving we calculate our loss reserves based on our own actuarial estimations and establish, where necessary, additional reserves supplementary to those posted by our cedants for reported claims. Liability claims have a major influence on the latter reserve. Reserves are calculated on a differentiated basis according to line of business and regions.

In calculating the reserves, we use actuarial methods based on run-off triangles. Run-off triangles show the changes in the reserve over time due to paid claims and the recalculation of the reserves to be established as at the respective balance sheet date. Their adequacy is monitored by the actuarial departments.

Our own actuarial calculations regarding the adequacy of the reserves are also subject to annual quality assurance reviews in the form of an external analysis.

The price / premium risk lies in the possibility of a random claims realisation that diverges from the claims expectancy on which the premium calculation was based. Regular and independent reviews of the models used for treaty quotation as well as central and local underwriting guidelines are vital management components. We have put in place a quotation process to ensure the quality of our portfolios that considers the claims expectancy including anticipated rate of inflation, anticipated costs and cost of capital (volatility).

C.1.3 Risk mitigation techniques Property & Casualty

C.1.3.1 Strategic aims and key figures

The strategic aims in relation to the placement of retrocessions are determined by the placing unit and the responsible member of the Executive Board. The Executive Board oversees the placement of the retrocessions as a whole, in particular the limits, premiums and contractual terms.

C.1.3.2 Description of Hannover Rück main types of cover against natural perils

In the event of a claim, Hannover Re Group will obtain relief through its various protection mechanisms. Further details on the individual forms of reinsurance covers are provided in the sections below. The natural catastrophe protections mentioned also extend to Hannover Rück.

Whole Account Protection 2025

The Whole Account Protections cover all property, motor hull and engineering business of the Hannover Re Group, i.e. business recorded in Hannover and through subsidiaries or other branch offices. The protections are placed on a gross claim basis.

Large Loss Aggregate XL 2025

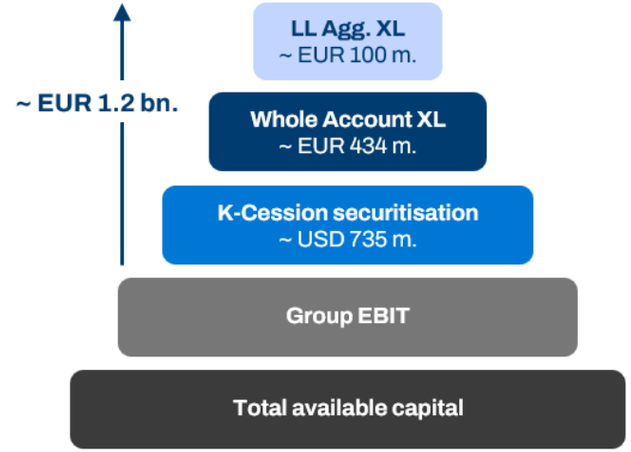
The Large Loss Aggregate XL is an aggregate protection and covers all Natural Catastrophe Perils for the Hannover Re Group on a gross basis.

K-Quota share 2025

By way of its “K-Cession”, Hannover Rück has raised underwriting capacity for catastrophe risks in the capital market. The K-Cession, which was placed with investors on all continents, involves a quota share cession on natural catastrophe business in defined regions as well as aviation and marine risks worldwide. A large part of the total volume of the K-Cession was securitised via structured entities. The transaction has an indefinite term and can be cancelled annually by either party. Segregated accounts of Kaith Re Ltd. and other structured entities outside the Group are used for transformer purposes for part of this transaction. The structured entities are fully funded by contractually defined investments in the form of cash and equivalent liquid assets and therefore there exists no default risk for Hannover Rück.

C.1.3.3 Multilevel protection - an overview

The multilevel protection consisting of the types of cover listed above increases the reinsurance capacity for natural catastrophes and thus provides additional revenues with a defined risk appetite.



Additional retrocessions for Marine, Aviation, Cyber and facultative reinsurance are in place.

C.1.3.4 Process of retrocession placement

The Executive Board derives the risk budget for natural perils from the global risk budget. It forms the starting point for the system of limits and thresholds. The utilisation of the limits is controlled using a traffic light system. Many risk tolerances are based on net income, i.e. the placement of retrocessions plays a key role in adhering to the limits.

Capacities per scenario and treaty department are derived from the global and local risk tolerances. The capacity matrix forms the operational control tool and ensures a consistent top-down approach.

During the planning phase starting in June every year, the Executive Board decides on the capacities for the following year. The planning process includes an assessment of the utilisation of all risk tolerances. An overutilization would be inconsistent with the risk appetite and an underutilisation would result in under-deployment of allocated capital.

C.1.4 Underwriting risk Life & Health

All risks directly connected with the life or health of an insured person are referred to as biometric risks. They include in particular the miscalculation of mortality, life expectancy, morbidity and occupational disability. Biometric risks are the material risks for our company in the area of life and health reinsurance. Our goal is to strike a balance between biometric risks. Furthermore, we are exposed to lapse risks because the cash flows resulting from our reinsurance treaties are in part dependent on lapse rates among policyholders. Counterparty default risks are also material since we partly prefinance our cedants' new business acquisition costs. Furthermore, we are exposed to catastrophe risks, especially events involving a high number of fatalities in our insured portfolio such as those recorded in connection with the Covid-19 pandemic.

The reserves are determined on the basis of secure biometric actuarial bases in light of the information provided by our clients. The biometric actuarial bases used and the lapse assumptions are continuously reviewed with an eye to their adequacy and if necessary adjusted. This is done using the company's own empirical data as well as market-specific insights. Our current risk profile in life and health reinsurance is dominated by mortality risks (incl. catastrophe risks). Morbidity risks are also playing a central role. These result from a variety of products including Critical Illness and disability business. Longevity risks originate from treaties under which we pay survival benefits. The volume of our annuity portfolio contributes to diversification within life and health reinsurance. We calculate the diversification effect between mortality and longevity risks prudently because the contracts are normally taken out for different regions, age groups and individuals. The required risk capital with a confidence level of 99.5% for underwriting risks in life and health reinsurance breaks down as follows:

Solvency Capital Requirement for underwriting risks in life and health reinsurance
Solvency Capital Requirement at a confidence level of 99.5%

in TEUR	2024	2025
Mortality risk (incl. catastrophe risk)	1,778,339	1,701,104
Longevity risk	1,579,360	1,296,300
Morbidity and disability risk	1,563,171	1,524,578
Lapse risk	399,560	396,290
Expense risk	168,983	235,046
Diversification	-2,872,143	-2,628,123
Underwriting risk life and health	**2,617,270**	**2,525,195**

Diversification is a central management tool for our company. We seek to spread risks as far as possible across different risk classes and different regions. In our pricing of reinsurance treaties we provide incentives to further increase diversification.

The underwriting risks in Life & Health reinsurance are decreasing mainly due to the appreciated EUR against foreign currencies and higher GBP long-term interest rates.

A risk concentration in Life and Health reinsurance business arises from mortality and longevity risks, followed by morbidity risks. Concerning mortality risks, the risk of a pandemic event represents a main driver for our Solvency Capital Requirement for Life & Health business with regard to concentration risks. To govern our risks we regularly monitor our exposure regarding potential pandemic events in the context of internal model runs. More information is available in Section D.2.2.3.

Through our quality assurance measures we ensure that the reserves established by ceding companies in accordance with local accounting principles satisfy all requirements with respect to the calculation methods used and assumptions made (e. g. use of mortality and morbidity tables, assumptions regarding the lapse rate). In addition, the assumptions are continuously reviewed on the basis of empirical data and modified if necessary. New business is written in all regions in compliance with underwriting guidelines applicable worldwide, which set out detailed rules governing the type, quality, level and origin of risks and how these considerations are factored into the pricing. These global guidelines are revised annually and approved by the Executive Board. Special underwriting guidelines give due consideration to the particular features of individual markets. By monitoring compliance with these underwriting guidelines we minimise the potential implications of an inability to pay or of deterioration in the financial status of cedants. Regular reviews and holistic analyses (e. g. with an eye to lapse risks) are carried out with respect to new business activities and the assumption of international portfolios. Large transactions are also examined by our risk management department. Individual actuarial reports and documentation ensure that regular scrutiny also takes place at the subsidiary level. The interest rate risk, which in the primary sector is important in life business owing to the guarantees that are given, is of only minimal relevance to our company thanks to the design of our reinsurance treaties. We have confidence in the entrepreneurial abilities of our underwriters and grant them the most extensive possible powers. In our decentralised organisation we manage risks where they arise using a consistent Group-wide approach in order to obtain an overall view of the risks in life and health reinsurance. Our global underwriting guidelines provide underwriters with an appropriate framework for this purpose.

C.1.4.1 Risk mitigation techniques Life & Health Reinsurance

In the Life & Health business group, retrocessions for the purposes of risk reduction are only used on a limited basis.

Some non-European branches use inter-company retrocessions for capital relief reasons under local regulatory capital requirements.

Some large longevity deals are retroceded proportionally and on regular premiums basis, in order to reduce the volatility of the longevity portfolio with regard to particular large contracts. Two sided collateral provisions ensure that future liabilities will be collateralised if receivables from or to the retrocessionaires are projected to exceed an agreed threshold.

The existing pool retrocessions for high sum assured individual policies mainly originate from times when a lower retention per life applied for the Hannover Re Group. For risk reduction reasons, they are no longer necessary and have been placed in run off.

All other existing retrocessions are not placed for reasons of active risk reduction, but rather to maintain existing customer relationships and gain access to attractive inward business or are placed with affiliates and non-affiliates in order to reduce the HGB strain from large financing transactions.

The effectiveness of the retrocessions is closely linked to the default risk of the retrocessionaires. The monitoring of the default risk of retrocessionaires is performed across all business segments of Hannover Re in a standardised way, using standard systems and methods which are described in Section C.3.

C.2 Market risk

Faced with a challenging capital market climate, particularly high importance attaches to preserving the value of assets under own management and the stability of the return. Hannover Re's portfolio is therefore guided by the principles of a balanced risk / return profile and broad diversification. Based on a risk-averse asset mix, the investments reflect both the currencies and durations of our liabilities. Market price risks include equity risks, interest rate risks, foreign exchange risks, real estate risks, infrastructure risks, spread and default risks. Our portfolio currently consists in large part of fixed-income securities, and hence default and spread risks account for the bulk of the market risk. We minimise interest rate and foreign exchange risks through the greatest possible matching of payments from fixed-income securities with the projected future payment obligations from our insurance contracts. Market risks derive from the investments managed by Hannover Re itself and from investment risks of ceding companies that we assume in connection with insurance contracts. The following table shows the risk capital with a confidence level of 99.5% for the market risks from investments under own and third-party management.

Solvency Capital Requirement for market risks

in TEUR	2024	2025
Default and spread risk	3,441,852	3,175,904
Interest rate risk	1,314,315	1,004,187
Foreign exchange risk	2,451,431	2,302,081
Equity risk	1,942,504	2,044,151
Real estate risk	993,574	1,037,950
Diversification	-4,334,816	-3,958,498
Market risk	**5,808,860**	**5,605,775**

The market risk mainly decreases due to the appreciation of the EUR against foreign currencies. This is partially offset by new investments in listed equity, fixed income and real estate.

The short-term loss probability measured as the Value at Risk (VaR) is a vital tool used for operational monitoring and management of the market price risks associated with our securities positions. It is calculated on the basis of historical data, e. g. the volatility of the securities positions under own management and the correlation between these risks. As part of these calculations the decline in the fair value of our securities portfolio is simulated with a certain probability and within a certain period. The VaR of Hannover Re determined in accordance with these principles specifies the decrease in the fair value of our securities portfolio under own management that with a probability of 95% will not be exceeded within ten trading days. A standard market model is used to calculate the VaR indicators for Hannover Re. It is based on historical time series of relevant market parameters (equity prices, yield curves, spread curves and exchange rates). Against the backdrop of a very turbulent capital market and interest rate environment, volatilities – especially of fixed-income assets – again reached a high level at times in the year under review. Based on continued broad risk diversification and the orientation of our investment portfolio, our VaR was nevertheless clearly below the VaR upper limit defined in our investment guidelines. It amounted to 0.6% (0.8%) as at the end of the reporting period.

Stress tests are conducted in order to be able to map extreme scenarios as well as normal market scenarios for the purpose of calculating the Value at Risk. In this context, the loss potentials for fair values and shareholders' equity (before tax) are simulated on the basis of already occurred or notional extreme events.

Scenarios for changes in the fair value of material asset classes

		Portfolio change on a fair value basis	
in TEUR	Scenario	2024	2025
Equity securities and equity funds	Share prices -10%	-848	-38,487
	Share prices -20%	-1,696	-76,974
	Share prices +10%	848	38,487
	Share prices +20%	1,696	76,974
Fixed-income securities	Yield increase +50 basis points	-491,814	-413,629
	Yield increase +100 basis points	-959,577	-810,119
	Yield decrease -50 basis points	515,865	423,258
	Yield decrease -100 basis points	1,055,780	863,300
Real Estate	Real estate market values -10%	-4,656	-4,607
	Real estate market values +10%	4,656	4,607

In addition to the various stress tests, which estimate the loss potential under extreme market conditions, other key risk management measures include sensitivity and duration analyses and our asset liability management (ALM). The internal capital model provides us with the quantitative underpinning of the capital investment strategy as well as various VaR calculations. Tactical duration bands are also installed, within which the portfolio is opportunistically positioned in line with market expectations. The specifications for these bands and our calculated risk-bearing capacity are interlinked. It should be noted that the subordinated bonds issued and the resulting interest rate risk are also actively taken into account in ALM.

Share price risks result from the possibility of unfavourable changes in the value of equities, equity derivatives and equity index derivatives in our portfolio. Although we took advantage of the price slump on the equity markets in response to the threat of a trade war - particularly between the USA and China - at the beginning of the second quarter to make a limited re-entry into equities and equity funds, the relevance of equity risks for our investments remains very low, as the proportion of equities in our total investment portfolio is well below 1%. We continue to be exposed to the market for private equity. Here, changes in market value are based less on general market conditions and more on company-specific assessments. The risks are therefore primarily in the business model and profitability and, to a lesser extent, in the interest component of the cash flow forecasts.

The portfolio of fixed-income securities is exposed to an interest rate risk. Declining market yields lead to increases and rising market yields to decreases in the fair value of the fixed-income securities portfolio. The credit spread risk should also be mentioned. The credit spread refers to the interest rate differential between a risk-entailing bond and risk-free bond with the same maturity. Changes in these risk premiums, which are observable on the market, result—analogously to changes in pure market yields—in changes in the fair values of the corresponding securities. We minimise interest rate risks by matching the durations of payments from fixed-income securities as closely as possible with the projected future payment obligations under our insurance contracts.

Currency risks exist in particular when there is a currency imbalance between the technical liabilities and the assets. We reduce this risk on the basis of the Group's individual balance sheets by largely matching the currency distribution between assets and liabilities on the Solvency II balance sheet. The quantification of currency risk is therefore not included in the short-term VaR. We regularly compare the liabilities and the associated capital per currency with the assets covering them and optimise currency coverage by reallocating investments. Remaining currency surpluses are systematically quantified and monitored as part of solvency and economic modelling.

Property and infrastructure risks arise from the possibility of negative changes in the value of properties and infrastructure assets held directly or via fund units. They can be caused by a deterioration in specific property characteristics or a general decline in market value. The significance of property and infrastructure risks has gradually increased for us in recent years due to our ongoing involvement in this area. We spread these risks through broadly diversified investments in markets worldwide, each of which is preceded by detailed property, manager and market analyses. We monitor developments in the markets relevant to our portfolio very closely. We have taken into account uncertainties regarding the future development of individual properties in the valuation as at the reporting date.

We use derivative financial instruments only to the extent needed to hedge risks. The primary purpose of such financial instruments is to hedge against potentially adverse developments on capital markets. A portion of our cash flows from the insurance business as well as foreign exchange risks arising because currency matching cannot be efficiently achieved are hedged to some extent using forward exchange transactions. Hannover Re holds further derivative financial instruments to hedge interest rate risks from loans taken out to finance real estate and to hedge inflation risks from the life reinsurance business written by our Australian branch. In addition, Hannover Re holds hedges in the form of equity swaps to hedge price risks in connection with the virtual stock appreciation rights granted under the Share Award Plan. These are intended to neutralise changes in the fair values of the awarded stock appreciation rights. Contracts are concluded with reliable counterparties and for the most part collateralised on a daily basis so as to avoid credit risks associated with the use of such transactions. The remaining exposures are controlled according to the restrictive parameters set out in our investment guidelines.

As a supplementary instrument for liquidity management, we have been entering into temporary repurchase agreements (repo transactions) for several years. The portfolios exchanged are fully collateralised.

Some insurance derivatives linked to insurance business are also recognised under the investments due to IFRS financial reporting requirements.

Our investments entail credit risks that arise out of the default risk (interest and/or capital repayment) or a change in the credit status (rating downgrade) of issuers of securities. We attach equally vital importance to exceptionally broad diversification as we do to credit assessment conducted on the basis of the quality criteria set out in the investment guidelines. We measure credit risks in the first place using the standard market credit risk components, especially the probability of default and the potential amount of loss – making allowance for any collateral and the ranking of the individual instruments depending on their effect in each case.

We then assess the credit risk first on the level of individual securities (issues) and in subsequent steps on a combined basis on the issuer level. In order to limit the risk of counterparty default we set various limits on the issuer and issue level as well as in the form of dedicated rating quotas. A comprehensive system of risk reporting ensures timely reporting to the functions entrusted with risk management.

In general terms, Hannover Re gears its investment portfolio to the principles of a balanced risk / return ratio coupled with broad diversification. Accordingly, we counter the risk concentrations that nevertheless arise in individual asset classes with the broadest possible spread of different issuers per asset class. This is just as much a key component of our investment policy as credit rating assessment and management based on the quality criteria defined in the investment guidelines.

C.3 Counterparty default risk

The counterparty default risk consists primarily of the risk of complete or partial unwillingness or inability to pay of counterparties and the associated default on payment. Counterparty default risks exist with respect to cedants, retrocessionaires and in connection with short-term deposits at banks. We address credit risks from fixed-income investments in the preceding section under market risks.

Solvency Capital Requirement (confidence level 99.5%)

in TEUR	2024	2025
Counterparty default risk	403,624	447,290

Counterparty default risk increased mainly due to higher short-term obligations to cedants and a higher volume of uncollateralized retrocession.

Since the business that we accept is not always fully retained, but instead portions are retroceded as necessary, the counterparty default risk is also material for our company in reinsurance transactions. Our retrocession partners are carefully selected and monitored in light of credit considerations in order to keep the risk as small as possible. This is also true of our broker relationships, which entail a risk inter alia through the potential loss of the premium paid by the cedant to the broker. We minimise these risks, among other measures, by reviewing broker relationships with an eye to criteria such as the existence of professional indemnity insurance, payment performance and proper contract implementation. The Security Committee decides on measures where necessary to secure receivables that appear to be at risk of default. This process is supported by a risk management application, which specifies cession limits for the individual retrocessionaires participating in protection cover programmes and determines the capacities still available for short-, medium- and long-term business. Depending on the type and expected run-off duration of the reinsured business, the selection of reinsurers takes into account not only the minimum ratings of the rating agencies Standard & Poor's, A.M. Best, Fitch and Moody's but also internal and external expert assessments. Overall, retrocessions conserve our capital, stabilise and optimise our results and enable us to act on market opportunities across a broader front,

e. g. following a major loss event. A close and regular dialogue with our retrocessionaires gives us a reliable overview of the market and puts us in a position to respond quickly to capacity changes.

The following table shows how the proportion of assumed risks that we do not retrocede (i.e. that we run in our retention) has changed year-on-year:

Gross written premium retained

in %	2024	2025
Total	65.3 %	64.0 %
Property and casualty reinsurance	60.6 %	58.7 %
Life and health reinsurance	81.1 %	81.9 %

Alongside traditional retrocessions in property and casualty reinsurance we also transfer risks to the capital market. Please refer also to Section C.1.3.

Counterparty default risks, among other risks, are also relevant to our investments and in life and health reinsurance because we prefinance acquisition costs for our ceding companies. Our cedants, retrocessionaires and broker relationships as well as our investments are therefore carefully evaluated and limited in light of credit considerations and are constantly monitored and controlled within the scope of our system of limits and thresholds.

Lastly, short-term deposits at banks are also at risk of counterparty default.

C.4 Liquidity risk

We define liquidity risk as the risk of not being able to fulfil our financial obligations when they fall due. Liquidity risk consists of refinancing risk (required funds cannot be obtained or can only be obtained at higher costs) and market liquidity risk (financial market transactions can only be concluded at a lower price than expected due to a lack of market liquidity). Key elements of the liquidity management of our investments are, on the one hand, the management of the maturity structure of our investments on the basis of the planned payout profiles from the technical obligations and, on the other hand, regular liquidity planning and the investment structure of the investments. Beyond the foreseeable payouts, unexpected, extraordinarily high payouts could pose a liquidity risk. However, in the reinsurance business, significant events (major claims) are generally paid out with a predictable lead time. Nevertheless, as part of our liquidity management, we have defined portfolios that have proven to be highly liquid even in situations of financial stress, such as the 2008 financial crisis. During the reporting year, our holdings of free German, British and US government bonds and financial resources were larger than possible payouts for assumed extreme events, so that our liquidity is guaranteed even in the unlikely event of a combination of financial crises and the need for an extreme event to be paid out quickly. The liquidity reserve totalled EUR 10.2 billion (EUR 9.9 billion) as at the reporting date. In addition, we manage the liquidity of the portfolio by monitoring the liquidity of the portfolio securities on each trading day. When reinvesting fixed-income securities in the reporting period, we increasingly invested in securities and funds with short-term maturities in line with the technical liabilities while shortening the average residual term. In addition, we sold extensive holdings of interest-bearing securities with hidden liabilities and reinvested them at current interest rate levels. As a result, we have further expanded our room for manoeuvre on the markets and in our liquidity management. As an additional liquidity management tool, we have been entering into temporary repurchase agreements (repo transactions) for several years. We use these measures to reduce our liquidity risk.

The “total amount of the expected profit included in future premiums” required by Article 295 (5) of the Delegated Regulation 2015 / 35 amounts to TEUR 3,213,292 as at 31 December. This value is also available at the Quantitative Reporting Template S.23.01.01, item R0790. We do not use this figure for our liquidity management. However, it has to be stated in this section according to regulatory requirements.

C.5 Operational risk

Operational risk means the risk related to business operations and due to inadequate processes, human errors, system failures or external events. Within the overall framework of operational risks, we pay particularly close attention to business continuity risks, business process and data quality risks, compliance risks, fraud risks, human resources risks, information security risks and third-party provision risks.

Operational risks are an indivisible part of our business activities. With the aid of half-yearly Group-wide self-assessments, in which all relevant corporate operations are actively involved, we determine the maturity level of our risk management system for operational risks and define action fields for improvements. In order to calculate the capital requirement in our internal capital model we perform extensive scenario analyses. In joint workshops, experts across all disciplines establish assumptions for the loss frequency and impact, and take the results as a basis for specifying the parameters for the stochastic model. In addition, internal (near) loss events are systematically recorded and examined with an eye to possible measures for improving the control system. The internal data are enhanced with insights gained from external events, which either become known through public channels or were reported through a loss data consortium of which we are a member.

Regular quarterly risk reporting incl. risk indicators to the Risk Committee and the Executive Board takes place with regard to all operational risks.

The following table shows the Solvency Capital Requirement operational risk as at 31 December.

Solvency Capital Requirement (confidence level 99.5%)

in TEUR	2024	2025
Operational Risk	696,180	709,486

The changes in the operational risk result above all from updated expert assessments regarding the impact of individual scenarios, mitigated by the appreciated EUR against foreign currencies.

Unlike market, counterparty default and underwriting risks, operational risks are categorised as non-financial risks. We discuss below the subcategories of operational risks.

Business continuity risks arise from natural or man-made hazards that threaten or disrupt business operations. The risk also includes the continuity of IT infrastructure and services. Our Business Continuity Management (BCM) system reduces the risk through preventive resilience measures that are regularly tested. A special organisational and operational structure has been set up to respond reactively to a crisis event and to recover business operations.

Business process risks are associated with the risk of inadequate or failed internal processes, which can arise inter alia as a consequence of an inadequate process organisation. We have defined criteria for managing the risk that result in a high process quality. Data quality is similarly a very critical success factor, especially in risk management, because for example the validity of the internal model is largely based on the data provided. As

part of our central data quality management, we have defined extensive automatic routines that continuously determine data quality in central systems.

We define compliance risks as the risks of violating or failure to observe provisions of the applicable statutory and regulatory provisions and internal policies and procedures. Compliance risk includes legal and tax risk.

Responsibilities within the compliance organisation are regulated and documented throughout the Group. Interfaces to risk management have been established. Regular compliance training programmes and awareness-raising measures complement the range of tools.

In conformity with a risk-based approach, a software for sanctions screening is used on our business partners, the relevant parts of the Hannover Re's portfolio as well as on loss advices to filter out individuals that are subject to sanctions. In case of a hit, suitable steps are taken. Goods and services are checked according to their risk classification. Countries that pose a high risk due to sanctions evasion measures are also subject to stricter rules.

Fraud risks refer to the risk resulting from intentional violations of laws or rules by own employees and/or external parties in order to gain an unlawful financial or other personal advantage for themselves or third parties. This risk is mitigated by the established internal control system as well as by audits conducted by Group Audit on a line-independent basis. Should an instance of fraud occur, established escalation processes are in place to involve all relevant functions and to conduct a risk-specific analysis (e.g. forensic investigation) including the determination of appropriate measures.

Personnel risks arise from an inadequate use or availability of human resources, as well as from inappropriate behaviour. While labour markets around the globe remain challenging, there are signs of gradual easing in certain areas. Hannover Re addresses the risk of an existing shortage of skilled professionals by placing particular emphasis on the qualifications, experience, and commitment of our employees.

Information security risks arise, inter alia, out of an inadequate protection of confidentiality, integrity (incl. authenticity) or availability of information, which is stored/processed in information technology or handled by human beings.

With a view to protecting against, among other threats, cyber attacks and the loss of sensitive information, Hannover Re has implemented an Information Security Management System (ISMS) that is closely aligned with international standards as well as regulatory requirements such as DORA, and harmonised with other management systems. Specific policies and control standards regulate all technical and organisational measures. Consideration is given to all types of digital and physical information assets.

The Executive Board bears overall responsibility for information security and is supported by the Risk Committee. The Information Risk & Security Committee (IRSC) is a sub-committee of the Risk Committee and is comprised of the Head of Risk Management, the Chief Information Security Officer (CISO) and the Head of IT. The IRSC evaluates and monitors the corresponding information risks and steers any conflicts of interest on a quarterly basis. The full Executive Board is provided with information at least annually by way of an information security report and also within the year if necessary.

The CISO, as the main process owner, is responsible for the planning, implementation and ongoing development of the ISMS as well as for coordinating the corresponding tasks with local contacts within the Hannover Re Group. The CISO cooperates closely with Information Risk Management (IRM), the central Compliance function and the Data Protection Officer. Both, the CISO and the other specified functions, form part of the second line of defence. Furthermore, every single member of staff is responsible for adhering to the relevant security standards. To this end, all employees undergo regular training in information security topics as well as awareness-raising, e.g. through phishing simulations.

Third-party provision risks result from the provisioning of services by third-parties, whether directly or by sub-provisioning. Mandatory rules and processes have been put in place to limit this risk. Among other things, a risk analysis and partner assessment is to be performed prior to provisioning to identify specific risks associated with the provisioning and to take adequate risk steering measures. The analysis is subject to regular review.

C.6 Other material risks

Of material importance to our company in the category of other risks are primarily emerging risks, strategic risks, sustainability risks, reputation risks as well as liquidity risks.

Furthermore, we monitor the contagion risk of Hannover Rück being part of the Hannover Re Group and therefore of the Talanx Group.

C.6.1 Emerging risks

Early detection and subsequent evaluation of risks are crucially important when it comes to emerging risks. For this reason, we deploy Hannover Re's internal, interdepartmental and multi-line expert working group on "Emerging Risks & Scientific Affairs" and we ensure its linkage to risk management. The analyses performed by this working group are used Group-wide in order to initiate any necessary measures. The working group is currently exploring around 20 risk complexes, some of them megatrends, to facilitate the identification and adequate evaluation of not only existing but also emerging risks. Megatrends are defined as developments with a trend cycle of at least 30 years. They are not presently associated with direct impacts on operations, but may potentially evolve in this direction. Examples are:

- Biodiversity: A decline in biodiversity can be viewed in conjunction with emerging risks associated with scarcity of resources, air pollution, genetically modified organisms or food security and availability—but also goes hand-in-hand with a need for innovative (insurance) solutions and services.

- Climate Change: The current action on climate change means new or refined technologies, such as renewable energies, energy storage innovations or hydrogen concepts and their various possible applications, for which insurance coverages are needed.

- Urbanisation: The steady increase in urbanisation means the growth and change of cities. Those leaving the countryside and moving to the city are mostly young, hence altering both rural and urban age distributions. Correlated trends such as the ageing society and new types of mobility, increasingly against a backdrop of sustainability, are throwing up major

questions. The significance of these trends and the speed of change are compelling the insurance industry to plan which role it wants to play in helping to shape the future. In this context it is important to consider both business opportunities and risks. Given that all this is affected by climate change, people's property—especially when value concentrations form in future megacities—will have to be insured against natural perils. In a worst-case scenario, this could mean that certain regions and risks become uninsurable if adequate urban planning—taking account of natural hazards—is neglected in the spread of large cities around the world. Urbanisation not only means new buildings, technologies and lifestyles that have to be insured; rather, living close together also has implications for people's physical and mental well-being, which is relevant to our portfolio of life and health insurance.

Hannover Re publishes summary position papers on various emerging risks which can be accessed on our website. In 2025, papers on class actions, psychoactive substances, demography, social media, genetically modified organisms and skills gap/skills shortage, among others, were created.

Hannover Re is a member of the Chief Risk Officer (CRO) Forum and a constant participant in the CRO Forum's Emerging Risk Initiative, which continuously tracks and analyses various emerging risks, publishes information on those risks considering possible trends thereof and conducts corresponding impact analyses. The trends considered include "Ageing and health", "Economic development", "Environment and climate", "Changes in the geopolitical landscape", "Technological developments" as well as "Demographic and social change". A new topic added in the year under review was "Deterioration of public healthcare systems". The publications are publicly accessible on the CRO Forum website.

C.6.2 Strategic risks

Strategic risks derive from a possible imbalance between the corporate strategy of the Hannover Re and the constantly changing general business environment, for example with respect to evolving regulatory requirements. Such an imbalance might be caused, for example, by incorrect strategic policy decisions, a failure to consistently implement the defined strategies and business plans or an incorrect allocation of resources. We therefore regularly review our corporate strategy in a multi-step procedure and adjust our processes and the resulting guidelines as and when required. We have defined performance criteria and indicators for operational implementation of the strategic principles and objectives; these are authoritative when it comes to determining fulfilment of the various targets. The process for the management of strategic risks continues to be assessed annually as part of the monitoring of business process risks.

C.6.3 Sustainability and reputation risks

The handling of sustainability risks has come into increasing focus in recent years, above all against the backdrop of climate change. Instead of sustainability risks, reference is often made to risks associated with environmental, social and governance (ESG) issues.

Topics related to sustainability are assessed from two different perspectives: (i) impact materiality, which considers the positive and negative impacts that a company has on the outside world; and (ii) financial materiality, which considers how sustainability issues affect a company through sustainability-related risks and opportunities.

Reputation risks refer to the risk that the trust put in our company by clients, shareholders, employees or the public at large may be damaged. This risk has the potential to significantly jeopardise the business foundation of Hannover Re. A good corporate reputation is therefore an indispensable prerequisite for our core business as a reinsurer. Reputation risks may arise out of all business activities conducted by Hannover Re. Reputational damage may be caused, inter alia, by a data leakage that becomes public knowledge or financial difficulties on account of an underwriting risk. We use a number of different techniques for risk mitigation, such as our defined and tested crisis communication channels, a professional approach to corporate communications as well as our established Code of Conduct. A reputation risk can occur isolated or as a result of a materialisation of any other risk category.

Reputation and sustainability risks are closely interconnected, as e.g. failing to meet societal expectations on sustainability can quickly escalate into reputational damage. Risk Management, Group Sustainability & Strategy, and Corporate Communications collaborate closely to identify ESG-related and reputational risks. This includes assessing ESG risks, monitoring media coverage, analysing NGO activities, and maintaining an active dialogue with key stakeholder groups.

C.6.4 Contagion risks

Contagion risk refers to the risks arising from interactions between individual entities owned by Hannover Rück, or related to Hannover Rück's affiliation to the HDI Group. More precisely, contagion risk is the propagation of the effect of a failure or financial distress of an organisation in a sequential manner to other organisations, markets or systems, or to other parts of a financial group or financial conglomerate.

Hannover Rück manages this risk by a consistent look-through approach in its management systems.

C.7 Any other information

C.7.1 Important developments

In this section, we describe external developments in 2025 with particular relevance for risk management.

C.7.1.1 Geopolitical risks

Global geopolitical tensions intensified further in the financial year 2025 and were therefore of particular importance for our risk management.

Over the course of 2025, the United States of America (US) has undergone a noticeable shift in its political and economic orientation. This change is particularly evident in trade policy, which is increasingly being employed as a strategic instrument of leverage. By imposing tariffs or threatening to do so, the US-administration seeks to secure bilateral concessions. In some cases, the affected countries have responded with retaliatory measures, resulting in a marked escalation of existing trade disputes and a heightened level of uncertainty across global supply chains.

Against the backdrop of Russia's ongoing war of aggression against Ukraine, the US-government exerted significant pressure on Kyiv to accept a peace proposal that would involve territorial concessions to Russia. These developments have also contributed to a deterioration in transatlantic relations, intensifying debates within Europe regarding the need for greater autonomous defence efforts. Disagreements over approaches to the war in Ukraine, as well as over the scale of European

defence and financing contributions, are further exacerbating political tensions. Taken together, these trends point to a phase of elevated uncertainty in which the transatlantic partnership is being politically and economically recalibrated.

The geopolitical environment in the Middle East continues to be characterised by substantial instability. The fragile ceasefire in the Gaza Strip, alongside parallel conflicts in Iran, Syria, the Israeli-Lebanese border region and Yemen, increases the risk of disruptions to key energy and trade routes, particularly along the Suez Corridor and the Bab al-Mandab Strait. Recurrent security-related incidents have an immediate impact on transport costs in international goods trade. At the same time, divergent interests among the various actors involved complicate efforts to establish stable and predictable framework conditions.

In South and East Asia, differing interpretations of land and maritime boundaries are increasingly fuelling geopolitical tensions with considerable escalation potential. The political status of Taiwan represents a central focal point in this context. At the same time, Taiwan remains a key pillar of the global economy, particularly in the semiconductor industry. Developments linked to China's territorial claims also carry the risk of further escalation, potentially involving military means, which would have significant adverse effects on international supply chains.

The persistently elevated level of geopolitical uncertainty therefore necessitates the continuous monitoring of regional developments. For the Hannover Re, these geopolitical dynamics translate, among other things, into increased uncertainty regarding financial market developments and the stability of supply chains, potentially giving rise to renewed inflationary risks.

Generally speaking, risks from armed conflicts are excluded in reinsurance treaties but may be covered under special arrangements such as for marine risks. Political risk and political violence covers, among others, are available for other risks from violent conflicts and their consequences.

C.7.1.2 Capital market environment

The capital market environment was once again characterised by high volatility in the 2025 reporting period. The markets were characterised by ongoing uncertainty, triggered by global trade conflicts, geopolitical tensions and the monetary policy realignment of some central banks.

This was again reflected in volatile interest rate markets. On the other hand, the inverted yield curves of the past continued to normalise, particularly in the EUR and GBP area. In the case of US government bonds, interest rates fell in all maturity ranges, in some cases significantly. This development reflects the easing of monetary policy in response to falling current inflation rates on the one hand and the structural risk assessment of the markets with regard to future inflation and favourable economic conditions on the other.

The European Central Bank and the Bank of England continued to pursue a looser interest rate policy with several further cuts over the course of the year, while the US Federal Reserve took a break in its previous cycle of interest rate cuts in the first half of the year, but then made three smaller interest rate cuts in the second half of the year. Overall, the policies of the central banks in the main currency areas continue to walk a fine line between controlling the still existing inflation potential on the one hand and providing noticeable macroeconomic stimulus and stabilising the still fragile economic momentum on the other.

At the beginning of the second quarter, there was considerable nervousness on the credit markets as a result of tariff announcements by the US government, which was reflected in sharply rising risk premiums. By the end of the reporting period, however, these were largely back near their long-term lows and thus at the level prior to the announcements.

The robust economy, particularly in the USA, declining inflation and interest rate cuts led to new highs for almost all major share indices. Gold also reached new record highs, while cryptocurrencies again showed strong fluctuations. Neither asset class is a direct investment area for us, but they do serve as indicators of market participants' risk appetite and inflation expectations, among other things.

The Euro fluctuated significantly against the US Dollar over the course of the year and closed the reporting period at a much higher level. The Euro also appreciated against the British Pound and the Chinese Renminbi. However, just as against the Australian and Canadian dollars, the Euro's gains were nowhere near as significant as those against the US Dollar.

Share price risks result from the possibility of unfavourable changes in the value of shares, equity derivatives or equity index derivatives in our portfolio. Although we took advantage of the price slumps on the equity markets in response to the threat of a trade war - particularly between the USA and China - at the beginning of the second quarter to make a limited re-entry into equities and equity funds, the relevance of equity risks for our investments remains very low, as the proportion of equities in our total investment portfolio is well below 1%. We continue to be exposed to the market for private equity. Here, changes in market value are less a result of general market conditions and more a result of company-specific assessments. The risks primarily relate to the business model and profitability and, to a lesser extent, to the interest rate component of the cash flow forecasts.

The importance of property and infrastructure risks remains significant for us due to our ongoing involvement in this area. We spread these risks through broadly diversified investments in high-quality markets worldwide, each of which is preceded by detailed property, manager and market analyses. Uncertainties regarding the future development of individual properties have been taken into account in the valuation as at the reporting date.

Geopolitical tensions and armed conflicts, such as those currently taking place in Ukraine and the Middle East, are associated with corresponding risks for the current balance of political power worldwide. Negative effects on the financial markets are possible. The resulting increases in energy prices and logistics costs could also drive up inflation again.

We continue to expect increased volatility on the global capital markets in the near future, but also see this as an opportunity and believe that we are adequately prepared with our current investment strategy.

C.7.1.3 Regulatory developments

Numerous regulatory developments occurred on the international, European and national level in 2025. Growing protectionism presented additional barriers to market access in many parts of the world. These developments pose challenges for the cross-border business of global reinsurance.

Substantial legislative progress was made in 2025 as part of the Solvency II review. The amended Solvency II Directive was published in the Official Journal of the European Union on 8 January 2025. The Member States are required to transpose the new regulations into national law within two years, with the rules becoming applicable from 30 January 2027. Supplementary to this, the European Commission published a draft delegated regulation in

July 2025 that was open for public consultation until September. The final draft was presented in October and specified the Level 2 amendments, in particular with regard to the valuation of liabilities, capital requirements, reporting and disclosure obligations as well as group supervision.

Parallel to the Solvency II review, the Insurance Recovery and Resolution Directive (IRRD) also moved forward significantly. The directive was similarly published in the Official Journal of the European Union on 8 January 2025 and entered into force on 28 January. Transposition into national law must be completed by no later than 29 January 2027, with application also envisaged effective 30 January 2027. In accordance with the IRRD, recovery and resolution plans will be drawn up at the request of the supervisory or resolution authority in 2027 at the earliest. In the course of the year, EIOPA held several rounds of consultations on technical standards focusing on the design of recovery and resolution plans, the assessment of resolvability, the definition of critical functions and the setting up of Resolution Colleges.

On the global level, the Insurance Capital Standard (ICS) entered into force in January 2025. The International Association of Insurance Supervisors (IAIS) additionally published further Level 2 texts and calibration documents. Furthermore, the high-level principles for the assessment of national implementation, which are intended to serve as a basis for self-assessment, were adopted in July. The steps mark the transition from pure standard setting to operational implementation and pave the way for the planned global implementation assessments from 2027 onwards. Given that Solvency II is to be considered a direct implementation of the ICS in the EU, it is unlikely that further supervisory implications are to be anticipated for Hannover Re.

In February 2025, the European Commission published the Sustainability Omnibus Package containing several proposals to simplify the EU framework for sustainability reporting. The European Parliament and the Council adopted a directive in April 2025 postponing the application deadlines for the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD) for certain undertakings, although this does not affect Hannover Re's reporting obligations. In December 2025, a trilogue agreement was reached on further content amendments to both directives, among other things significantly reducing their scope of application. The new application thresholds of the CSDDD apply exclusively to companies with more than 5,000 employees and more than EUR 1.5 billion in turnover. Hannover Re has fewer than 5,000 employees at the current point in time.

With a view to further easing the burden on companies associated with CSRD reporting, the European Commission also issued a mandate to simplify the European Sustainability Reporting Standards (ESRS). Following extensive consultation activities, the European Financial Reporting Advisory Group (EFRAG) presented a reform proposal that is currently under review by the Commission. The revised ESRS are expected to be finalised by the middle of 2026.

As part of the Omnibus Package, the European Commission also adopted a Delegated Regulation in July 2025 containing amendments to taxonomy reporting; among other things, it introduced a materiality threshold for financial materiality of 10% of the relevant KPI denominator. Furthermore, companies were temporarily granted the option to defer taxonomy reporting until 31 December 2027. Hannover Re is not exercising this option in the current reporting year.

In Germany, the federal government introduced draft legislation in September 2025 amending the German Supply Chain Due Diligence Act (LkSG) to ease the reporting requirements for companies affected by the LkSG. The draft bill, which has still to be passed into law, envisages the retroactive removal of reporting obligations under the LkSG and limits fines to severe human rights violations. In view of the planned relief measures, the Federal Office for Economic Affairs and Export Control (BAFA) was instructed to suspend reviews of reports and to impose fines only in the case of serious violations. The federal government also presented a draft bill for implementation of the CSRD in September 2025. Originally planned for 2025, adoption was delayed to take into account adjustments from the Omnibus Package. The legislative procedure is expected to be finalised in 2026.

The AI Act, which has been in force since August 2024, has already been in a phased implementation process since February 2025. The remaining regulations governing the handling of high-risk systems were originally intended to take effect from August 2026, but will now probably be linked to the Digital Omnibus, thereby further delaying their implementation. The Digital Omnibus is the European Commission's 2025 simplification package intended to consolidate overlapping digital regulations in the areas of data, AI, cybersecurity and reporting obligations. The accompanying trilogue negotiations are expected to extend through 2026, with significant implications therefore not expected before 2027. Hannover Re welcomes the Digital Omnibus in principle. The most notable positive feature is the future single entry point for reporting ICT incidents. Some aspects, however, are coming under criticism in the insurance sector, including for example the potential legal uncertainty – especially due to the "pending" postponement of high-risk AI obligations without a fixed deadline as well as the continuing duplication of regulation between the AI Act, GDPR, Solvency II and DORA.

The Financial Data Access Regulation (FiDA) underwent crucial developments in 2025: following submission of the proposal by the European Commission in 2023, the trilogue negotiations between the Commission, Parliament and Council began in April 2025. In May 2025, the Commission published a "non-paper" proposing simplification of the FiDA that envisages, among other things, a ten-year time limit for data, the exclusion of large corporations (including Big Tech and reinsurers) as well as phased implementation. Gatekeepers for third-country companies, specifically Big Tech firms, are also under discussion. It is our expectation that reinsurers will only be defined as "data users" and not as "data owners" under the FiDA and will therefore potentially have fewer compliance obligations to fulfil. This assessment is shared by the German Insurance Association (GDV). The FiDA is expected to enter into force in 2028 at the earliest.

When the Digital Operational Resilience Act (DORA) came into effect on 17 January 2025, the requirements around the digital resilience of financial undertakings underwent a fundamental overhaul. For insurance companies, this means the complete replacement of the previous VAIT requirements ("Supervisory Requirements for IT in Insurance Undertakings"). The DORA regulation defines consistent Europe-wide standards for information and communication systems. In addition, the amendment of Section 35 (1) Insurance Supervision Act (VAG) requires independent auditors for the first time to evaluate compliance with these standards as part of their audit of financial statements. The German Institute of Public Auditors (IDW) published the audit standard IDW EPS 528 (08.2025) to support these new audit requirements.

D. Valuation for Solvency Purposes

General valuation principles

The valuation of assets and liabilities pursuant to Solvency II is based on economic and market-consistent principles, and takes account of inherent risks.

In line with this concept, the assets and liabilities are valued as follows:

- Assets should be valued according to the amount with which they could be exchanged between knowledgeable willing parties in an arm's length transaction.
- Liabilities should be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.
- The time value of money should be reflected, i.e. cash flows have to be discounted. The discount rate should take the long-term asset management strategy into account, i.e. whether the company acts as a held-to-maturity investor or not.
- When valuing liabilities, no value adjustments are made in order to account for the creditworthiness of the respective insurance or reinsurance company.
- The valuation of assets and liabilities is based on the assumption that the company will continue its business activity ("going concern principle").
- Individual assets and liabilities are valued separately.
- Concepts of materiality shall apply. Absent or erroneous information pertaining to items shall be deemed significant if it could influence the individual or aggregated business decisions of the recipients.
- Simplifications may be applied when the method is deemed appropriate for the type, scope and complexity of the inherent risk.

The underlying principle used for determining the market values of assets and liabilities, with the exception of technical provisions, is the valuation principle pursuant to International Accounting Standards, as was adopted by the European Commission pursuant to the Regulation (EC) No. 1606/2002. For example, the guideline for determining fair values pursuant to IFRS 13 serves as a source of orientation.

The value of technical provisions corresponds to the current amount an insurance or reinsurance company would have to pay if they were to transfer their insurance and reinsurance obligations immediately to another insurance or reinsurance company. Technical provisions must be calculated in a prudent, reliable and objective manner and must display market consistency.

The value of underwriting provisions shall be equal to the sum of a "best estimate" and a risk margin:

- The best estimate liability (BEL) is the present value of all future cash flows.
- The calculation of the risk margin is done using a Cost of Capital approach.

Any valuation methods used must always work in sync with Article 75, respectively Articles 77 to 82 and Article 86 of the Directive 2009/138/EC.

The impact of the application of the volatility adjustment is displayed in Section D.2.

Assessing active markets

In the course of valuing assets, it is necessary to assess as to whether a market is either active or not. Only when a market is active may the current value be taken directly from these markets or derived from comparable assets traded there, in order to determine the market value of assets. If a market cannot be categorised as active, the market value is to be determined using valuation models. Whether or not a market can be viewed as an active market hinges on a discretionary decision regarding the type of financial instruments and local markets. At Hannover Rück this is, however, based on the following, predetermined parameters.

- Business transactions occur with sufficient frequency and corresponding volume, so that price information is continuously available.
- The products which are traded on the market are homogeneous.
- Contractually willing buyers / sellers can, as a rule, be found at any time
- Prices are freely accessible to the public.

An active market is deemed not to exist when, due to the complete and long-term decline in buyers and/or sellers, market liquidity is no longer established. Should transactions be verified as resulting exclusively from forced deals, compulsory liquidations or distressed sales, this is just as much an indicator for an inactive market as are high bid / ask spreads.

In the event that an inactive market has been verified, we use valuation models for the calculation of market values. Please refer to Section D.4.

Solvency II balance sheet as of 31 December 2025

We show our Solvency II balance sheet as of 31 December 2025 on the following two pages. The individual items are explained in the following subsections.

In the headings of the subsections of "D.1 Assets" and "D.3 Other Liabilities", we use the item designations from EIOPA for improved readability and clear assignment of the subsections to the corresponding items in the Solvency II balance sheet.

in TEUR	Item	2024	2025
Assets			
Intangible assets	R0030		
Deferred tax assets	R0040	12	
Pension benefit surplus	R0050		
Property, plant & equipment held for own use	R0060	82,936	77,645
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	52,858,386	52,029,124
Property (other than for own use)	R0080	7,358	6,930
Holdings in related undertakings, including participations	R0090	16,796,210	16,331,218
Equities	R0100	493	171,840
Equities - listed	R0110		171,402
Equities - unlisted	R0120	493	438
Bonds	R0130	32,873,455	32,460,424
Government Bonds	R0140	17,186,249	17,467,392
Corporate Bonds	R0150	14,750,812	14,098,751
Structured notes	R0160		
Collateralised securities	R0170	936,394	894,281
Collective Investments Undertakings	R0180	2,075,417	2,110,440
Derivatives	R0190	113,784	118,766
Deposits other than cash equivalents	R0200	991,668	829,506
Other investments	R0210		
Assets held for index-linked and unit-linked contracts	R0220		
Loans and mortgages	R0230	292,524	278,990
Loans and mortgages to individuals	R0250	712	626
Other loans and mortgages	R0260	291,812	278,364
Reinsurance recoverables from:	R0270	8,435,091	8,443,728
Non-life and health similar to non-life	R0280	8,838,733	8,830,156
Non-life excluding health	R0290	8,237,352	8,232,036
Health similar to non-life	R0300	601,381	598,120
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-353,935	-354,963
Health similar to life	R0320	210,857	223,284
Life excluding health and index-linked and unit-linked	R0330	-564,792	-578,247
Life index-linked and unit-linked	R0340	-49,707	-31,466
Deposits to cedants	R0350	8,693,527	9,327,174
Insurance and intermediaries receivables	R0360	6,495,961	6,913,917
Reinsurance receivables	R0370	212,395	378,263
Receivables (trade, not insurance)	R0380	932,552	1,311,607
Own shares (held directly)	R0390		
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400		
Cash and cash equivalents	R0410	537,410	410,838
Any other assets, not elsewhere shown	R0420	105,607	100,887
Total assets	**R0500**	**78,646,402**	**79,272,172**

in TEUR	Item	2024	2025
Liabilities			
Technical provisions – non-life	R0510	40,040,105	41,314,569
Technical provisions – non-life (excluding health)	R0520	37,603,558	38,893,881
Technical provisions calculated as a whole	R0530		
Best Estimate	R0540	37,122,004	38,375,336
Risk margin	R0550	481,554	518,545
Technical provisions - health (similar to non-life)	R0560	2,436,548	2,420,688
Technical provisions calculated as a whole	R0570		
Best Estimate	R0580	2,376,224	2,359,899
Risk margin	R0590	60,324	60,789
Technical provisions - life (excluding index-linked and unit-linked)	R0600	3,738,350	3,861,513
Technical provisions - health (similar to life)	R0610	2,100,042	2,610,621
Technical provisions calculated as a whole	R0620		
Best Estimate	R0630	1,736,685	2,181,527
Risk margin	R0640	363,357	429,094
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	1,638,308	1,250,892
Technical provisions calculated as a whole	R0660		
Best Estimate	R0670	1,071,095	796,254
Risk margin	R0680	567,213	454,638
Technical provisions – index-linked and unit-linked	R0690	151,781	723,883
Technical provisions calculated as a whole	R0700		
Best Estimate	R0710	147,840	720,656
Risk margin	R0720	3,940	3,227
Contingent liabilities	R0740		
Provisions other than technical provisions	R0750	169,446	171,043
Pension benefit obligations	R0760	113,071	104,939
Deposits from reinsurers	R0770	4,795,887	4,208,234
Deferred tax liabilities	R0780	2,966,628	2,760,431
Derivatives	R0790	110,690	87,803
Debts owed to credit institutions	R0800		
Financial liabilities other than debts owed to credit institutions	R0810	1,381,883	945,155
Insurance & intermediaries payables	R0820	1,297,535	1,192,313
Reinsurance payables	R0830	1,404,016	1,498,761
Payables (trade, not insurance)	R0840	544,128	455,870
Subordinated liabilities	R0850	3,095,367	2,580,568
Subordinated liabilities not in Basic Own Funds	R0860		
Subordinated liabilities in Basic Own Funds	R0870	3,095,367	2,580,568
Any other liabilities, not elsewhere shown	R0880	272,798	194,816
Total liabilities	**R0900**	**60,081,686**	**60,099,897**
Excess of assets over liabilities	**R1000**	**18,564,716**	**19,172,275**

D.1 Assets

D.1.1 Intangible assets R0030

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Intangible assets	207,900	

Intangible assets are stated at zero in accordance with Article 12 (2) of Commission Delegated Regulation under Solvency II. The exceptional circumstances listed under Article 12 (2) of the Delegated Regulation do not apply, due to the fact that intangible assets can neither be disposed of individually nor traded on an active market for similar or identical intangible assets.

In accordance with HGB a differentiation must be made as to whether it concerns purchased or internally generated intangible assets. While mandatory capitalisation applies for purchased intangible assets, a right to capitalisation exists pursuant to Section 248(2) sentence 1 of the HGB for internally generated items classified under fixed assets, which is not, however, used by the company.

The commercial valuation of intangible assets is executed in line with the regulations stipulated in Sections 341 et seq. HGB. They are valued at acquisition cost less scheduled depreciation in line with the average useful life.

The valuation base in the commercial annual accounts stands at TEUR 207,900. This predominantly concerns the future capitalised income value of the Life portfolio transferred by a subsidiary to Hannover Re, as well as purchased renewal rights and software. These may not be capitalised in the Solvency II balance sheet for the above-stated reasons.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Intangible assets		

In comparison to the previous year, assumptions regarding the calculation of this balance sheet item were the same.

D.1.2 Deferred tax assets R0040

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Deferred tax assets		

In the Solvency II balance sheet, a deferred tax liability with the amount of TEUR 2,760,431 is stated. No deferred tax assets are recognised. Consequently, a liability surplus has been created, the calculation of which is explained in more detail under the item “Deferred tax liabilities R0780”.

With existing differences between the commercial and tax valuation for assets, liabilities and deferred / prepaid items, which are projected to invert in subsequent financial years, this can on-balance result in a tax relief being stated as a deferred tax asset, or a tax burden being stated as a mandatory deferred tax liability in the trade balance. In the exercising of a voting right pursuant to Section 274 (1) sentence 2 of the HGB, no deferred tax claims have been stated for a resulting over-funding in the trade balance of Hannover Rück.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Deferred tax assets	12	

In comparison to previous year, the assumptions for the calculation of this balance sheet item remain unchanged. Under Solvency II there is a requirement to offset these positions, which is based on IAS 12.74 in conjunction with Guideline 9 of the EIOPA Guidelines. A detailed description of this requirement is available in Section E.1.3.6.

The decrease in deferred tax assets of TEUR -12 is predominantly based on the decrease in the Irish branch. Furthermore, changes of the underwriting balance sheet items and capital investments also effect the development of deferred taxes. For more detailed explanatory notes, please consult the respective sections.

D.1.3 Property, plant & equipment held for own use R0060

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Property, plant & equipment held for own use	43,402	77,645

Under Solvency II a differentiation is to be made for property regarding the extent to which it is intended for own use or a third party. The proportion subject to own use is to be categorised under property held for own use, the proportion subject to third-party use is recognised under the balance sheet item “Property (other than for own use)”. The HGB values for property were also proportionally divided in accordance with their respectively applicable use (held for own use or third-party use) for the purposes of comparison.

Property values are to be set at their fair value (market value) pursuant to Solvency II – irrespective of how the property is to be used. This is calculated as follows: The market price is determined by the price which could be achieved at that point in time, during normal trading in line with statutory regulations and actual market circumstances, while also taking into consideration other attributes and the location of the real estate without accounting for unusual or personal circumstances. The objective evaluation of property, i.e. developed or undeveloped real estate as well as rights to real estate including buildings on third-party real estate, is ensured by way of standardised principles and processes in line with market practices. In this regard, the gross rental method is applied for the determination of fair market values, which is described in further detail in Section “D.4 Alternative methods for valuation”.

In line with commercial law, real estate is valued in principle at its cost of procurement or construction, less scheduled and, when necessary, unscheduled depreciation pursuant to Section 253 (3) HGB.

The fixtures, fittings and equipment are valued in principle according to their procurement and / or manufacturing cost in line with commercial law, less scheduled and, if necessary, unscheduled depreciation. Low-value assets are fully depreciated in the year of acquisition. With regard to the fixtures, fittings and equipment the valuation pursuant to the Solvency II balance sheet is considered as identical with the valuation used in HGB annual

accounts totalling TEUR 18,375. A revaluation is not conducted for reasons of materiality.

The difference between the valuation found in the Solvency II balance sheet and the HGB annual accounts totalling TEUR 34,243 is attributable to the valuation of shares in the business facilities located in Hannover (TEUR 16,643) and Leasing contracts not to be reported under HGB (TEUR 17,600). Leasing liabilities are reported under R0810 in the Solvency II balance to the same extent.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Property, plant & equipment held for own use	82,936	77,645

The decrease compared to the previous year is mainly due to regular adjustments in valuation.

D.1.4 Property (other than for own use) R0080

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Property (other than for own use)	4,053	6,930

The valuation is made in principle in accordance with the description found in “Property, plant & equipment held for own use R0060”.

The difference between the Solvency II value and the value presented in the HGB annual accounts as at the balance sheet date amounts to TEUR 2,877 and it is exclusively attributable to the difference between the valuation methods under HGB and Solvency II. While under HGB, amortised acquisition costs are applied less scheduled depreciation, under Solvency II market values are used. Thus, the entire difference concerns hidden reserves.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Property (other than for own use)	7,358	6,930

The decrease compared to the previous year is mainly due to regular adjustments of the market valuation.

D.1.5 Participations and related undertakings R0090

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Holdings in related undertakings, including participations	11,277,524	16,331,218

Participations are stated at market values under Solvency II. There are no stock market prices available for the valuation of affiliated companies of Hannover Rück. The market values of affiliated companies or participating interests are determined on the basis of Solvency II balance sheets or with the proportional Fair Value as defined in Article 13 Delegated Regulation. Liabilities are deducted from assets in order to determine the balance sheet equity surplus per affiliated company. All equity surpluses of affiliated companies, including participating interests, are shown in the balance sheet item. For reasons of materiality, some investments are stated at their IFRS investment value.

Participations and related undertakings are recognised pursuant to Article 255 (1) HGB at their historical cost less any depreciation to the lower fair value pursuant to Article 341 (1) clause (2) HGB in conjunction with Article 253 (3) clause (4) HGB.

A difference in the valuation to the amount of TEUR 5,053,694 is predominantly derived from the aforementioned valuation principles.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Holdings in related undertakings, including participations	16,796,210	16,331,218

In comparison to previous year, the assumptions for the calculation of this balance sheet item remain unchanged.

D.1.6 Equities R0100

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Equities	150,152	171,840

Listed equities are valued on the basis of current, publicly available share prices. Publicly available pricing is available for 100% of the portfolio items reported here.

The valuation of listed equity is performed fundamentally on an item-by-item basis. The price quoted on the domestic stock exchange is used as a standard. If it is deemed prudent (e.g. due to a more liquid trading venue) the quotation may be taken from another stock exchange.

Irrespective of the stock exchange a hierarchy of quotation-types is applied. The highest priority is allocated to the quotation-type “Bid”. If this is unavailable the quotation-types “Traded” and “Close” are to be used in second and third place respectively.

Unlisted equities are valued on the basis of the capitalised earnings method, the discounted cash flow method and multiples-based approaches. The difference between Solvency II and HGB is based on differences in classification.

All applied methods and specifications are assessed for their topicality and / or appropriateness at least once a year, and adjusted as necessary.

At the beginning of the second quarter, we used the stock market downturns as an opportunity for a limited re-entry into stocks and equity funds.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Equities	493	171,840

D.1.7 Bonds R0130

Government bonds, corporate bonds, structured products and collateralised bonds are predominantly valued on the basis of quoted

prices, which have been realised on active markets. If no publicly available price quotations are available or the markets in which they originate are deemed to be inactive, the items are allocated a theoretical valuation.

Market quotations are provided by selected price service agencies, trading information systems or intermediaries (brokers) deemed to be trustworthy. The potential sources of price information available are allocated a ranking within a hierarchy. As a rule, price quotations issued by price service agencies are allocated the highest priority, while those provided by intermediaries are allocated the lowest. Exceptions can occur, for example, for selected market segments / currency combinations.

Irrespective of the trading venue, a hierarchy of price types is applied (for further information please refer to “Equities R0100”).

In the event of a theoretical valuation, the present value method is applied as the valuation method for bonds without particular structural characteristics. For structured products, valuation is performed using interest rate models, cf. also “D.4 Alternative methods for valuation”. Further, the net assets valuation method—based on market values—is used.

All applied methods and stipulations are assessed for their topicality and / or appropriateness at least once a year and adjusted as necessary.

D.1.7.1 Government Bonds R0140

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Government Bonds	17,523,647	17,467,392

Under Solvency II, investments listed under the following balance sheet items pursuant to the HGB are allocated to this item:
- bearer bonds and other fixed-interest securities
- registered bonds and
- notes receivable.

For the valuation we refer to the detailed explanations in “Bonds R0130”.

Publicly available prices are available for 99% of the portfolio items reported here.

The difference between the Solvency II value of these positions and their value stated within the annual accounts pursuant to the HGB comes to an overall total of TEUR 56,255.

In essence, approximately TEUR 209,961 are attributable to hidden losses arising from the different valuations and TEUR 153,706 to the different approaches of stating accrued interest. Pursuant to Solvency II these are aggregated to the market value while in line with the HGB the accrued interest of a balance sheet item is allocated separately from investments – to deferred / prepaid items.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Government Bonds	17,186,249	17,467,392

The increase in portfolio size compared to the previous year is predominantly attributable to market value increases due to decreasing long-term interest rates leading to increased market values under Solvency II.

D.1.7.2 Corporate Bonds R0150

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Corporate Bonds	14,108,864	14,098,751

Under Solvency II, investments listed under the following balance sheet items pursuant to the HGB are allocated to this item:
- bearer bonds and other fixed-interest securities
- registered bonds and
- notes receivable.

For the valuation we refer to the detailed explanations in “Bonds R0130”.

Publicly available prices are available for 87% of the portfolio items reported here, 11% are valued using the cash value method and 2% are valued using book values.

The difference between the Solvency II value of these positions and their value stated within the annual accounts pursuant to the HGB comes to an overall total of TEUR 10,113.

In essence, approximately TEUR 182,391 are attributable to hidden losses arising from the different valuations and TEUR 172,277 to the different approaches of stating accrued interest. Pursuant to Solvency II these are aggregated to the market value (dirty value), while in line with the HGB the accrued interest of a balance sheet item is allocated separately from investments – to deferred / prepaid items.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Corporate Bonds	14,750,812	14,098,751

The increase in portfolio size compared to the previous year is predominantly attributable to operating cash flows and the decrease of long-term interest rates leading to increased market values under Solvency II.

D.1.7.3 Collateralised securities R0170

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Collateralised securities	896,074	894,281

Under Solvency II, investments listed under the following balance sheet items pursuant to the HGB are allocated to this item:
- bearer bonds and other fixed-interest securities

In addition to the valuation methods stated in “Bonds R0130” it should be noted that special forms of collateralised securities such as, for example, the CLOs are valued externally on the basis of specialist service providers. Given that, as a rule, no public price quotation is available, the market value is derived theoretically using a Mark-to-Model approach. This is done using the valuation model “Intex” (industry standard) and parameterised on the basis of input factors observed in the market.

Collateralisation is recognised as a risk-minimising factor in the valuation; however, a spread, migration, and default risk is allocated.

For special forms of collateralised papers such as CLO’s assumptions are made regarding the speed of repayment and recovery rates.

92% of the portfolios reported here are valued using the present value method (taking into account information on the composition of the

receivables pool obtained from a database of the specialist data provider “Intex”). Publicly available prices are used for the remaining 8%.

The difference between the Solvency II value of these investments and their value stated within the annual accounts pursuant to the HGB totals TEUR 1,793.

Here, approximately TEUR 10,990 are attributable to hidden losses arising from the different valuation bases and TEUR 9,198 to the different approaches of stating accrued interest. Pursuant to Solvency II, these are aggregated to the market value, while in line with the HGB the accrued interest of a balance sheet item is allocated separately from investments – to accrued items.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Collateralised securities	936,394	894,281

The increase in portfolio size compared to the previous year is predominantly attributable to the overall decrease in long-term interest rates and operating cashflow.

D.1.8 Collective Investments Undertakings R0180

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Collective Investments Undertakings	2,038,047	2,110,440

Investment funds are valued at the official withdrawal price.

The withdrawal price is regularly calculated and published by the investment company in accordance with prescribed regulations. As a rule, they are also made available automatically by price service agencies. Alternatively, the Net Asset Value (NAV) method can be applied. The Net Asset Value is calculated using the sum of all assets (this case predominantly comprises investments as well as bank balances) less potential liabilities.

Publicly available prices are available for 84% of the positions covered here, 16% are valued using the present value method.

All applied methods and stipulations are assessed for their topicality and / or appropriateness at least once a year, and adjusted as necessary.

The difference between the Solvency II value and the value stated in the annual accounts totals TEUR 72,393 for investment trust shares.

Under HGB, shares in investment funds held as fixed assets are valued according to the moderate lower-of-cost-or-market principle . Under Solvency II, by contrast, market values must be applied. This subsequently leads to a valuation difference in the amount of TEUR 72,393. This exclusively concerns hidden reserves.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Collective Investments Undertakings	2,075,417	2,110,440

The increase in the portfolio compared to the previous year is mainly due to market value increases and new investments and reinvestments from operating cash flow. At the beginning of the second quarter, we used the stock market downturns as an opportunity for a limited re-entry into stocks and equity funds.

D.1.9 Derivatives R0190

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Derivatives		118,766

Derivative assets (R0190) and Derivative liabilities (R0790) are stated in the Solvency II balance sheet as separate items, unoffset at their market value. The market value of derivatives primarily corresponds with the stock exchange rate. If no stock exchange rates are available, derivatives are valued on the basis of parameters derived from observed market data (e.g., interest and spread curves, volatilities, spot and forward rates) within the applied framework of suitable valuation models and methods.

In the annual accounts pursuant to the HGB the valuation of financial derivatives and derivatives on biometric indices is done on a fair value basis. Derivatives which are part of an insurance contract are valued as part of technical liabilities, and are not stated separately.

Hannover Rück concludes central hedging transactions with third parties for some of its subsidiaries. The valuation of these financial derivatives is carried out at fair value. Hannover Rück transfers the cost of these hedging transactions internally to these subsidiaries, so that in their Solvency II balance sheet, derivative assets stand vis-à-vis derivative liabilities at the balance sheet date.

Pursuant to the HGB the company had summarised, as at the reporting date, reciprocal forward foreign-exchange contracts into valuation units with offsetting effect under the application of the net hedge presentation method. The application of the net hedge presentation method means that changes in the value of the underlying and hedging transactions are offset and are neither stated in the balance sheet nor in the profit and loss statement, insofar as the occurrence of risks is excluded and the positive and negative changes in value of the underlying and hedging transactions are nearly equalised. Thus, TEUR 118,766 of the difference in valuation is traced back to the different reporting of the hedging transactions under Solvency II and the HGB.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Derivatives	113,784	118,766

In comparison to the previous year, assumptions regarding the calculation of this balance sheet item were the same.

D.1.10 Deposits other than cash equivalents R0200

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Deposits other than cash equivalents	792,032	829,506

Deposits other than cash equivalents comprise fixed-term deposits. Deposits are valued to 100% at their redemption rate.

The difference between the Solvency II value of these investments and their value stated within the annual accounts pursuant to the HGB totals TEUR 37,474.

The difference is attributable to two effects: on the one hand to different valuations in the amount of TEUR 3,556 and on the other hand to the different methods of recognizing accrued interest to an amount of TEUR 33,918. The accrued interest is allocated in accordance with the HGB to deferred / prepaid items, while under Solvency II it is allocated to the respective balance sheet item (dirty value).

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Deposits other than cash equivalents	991,668	829,506

Assets under this balance sheet item are an important instrument used to manage current liquidity at Hannover Rück. The change compared to the previous year was within the typical margin for fluctuation as part of this approach. There were no valuation adjustments during the period under review.

D.1.11 Other investments R0210

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Other investments	377,646	

In the Solvency II balance sheet, other investments are to be recognised at their market value.

Pursuant to the HGB other investments are valued at their acquisition cost and / or at the lower market value. Investments which are intended to permanently facilitate business operations are valued pursuant to Section 341b (2) HGB and in connection with Section 253 (3) of the HGB in accordance with the diluted lowest value principle. An assessment regarding the permanence of value adjustments is undertaken on a case-by-case basis.

The value stated in the annual accounts pursuant to commercial law, which stands at TEUR 377,646 comprises accrued interest and rental payments. These are listed in the Solvency II balance sheet in the respective investment item, therefore no value is listed under other investments.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Other investments		

In comparison to the previous year, assumptions regarding the calculation of this balance sheet item were the same.

D.1.12 Loans and mortgages R0230

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Loans and mortgages	274,684	278,990

Loans and mortgages are stated at fair values under Solvency II. In addition to collateralised financial assets, this balance sheet item also includes non-collateralised financial assets.

Under HGB the valuation of fixed assets considers the diluted lowest value principle.

Loans are stated at their book value or are recognised using a theoretical calculation. The present value method is applied in the absence of any particular structural characteristics. For structured loans, valuation is based on the interest rate model, cf. also “D.4 Alternative methods for valuation”. Repurchase Agreements as collateralized loans are valued at their redemption price.

All applied methods and stipulations are assessed for their topicality and / or appropriateness at least once a year, and are adjusted if necessary. The balance sheet item R0230 is the sum of the balance sheet items "R0250 Loans and mortgages for private customers" and "R0260 Other loans and mortgages", so that no further explanation of these items is provided.

The difference between the valuation in the Solvency II balance sheet and in the HGB annual accounts totalling TEUR 4,306 is attributable to the different valuation principles.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Loans and mortgages	292,524	278,990

The underlying assumptions of loans and mortgages did not change in the financial year 2025.

D.1.13 Reinsurance recoverables R0270

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Property & Casualty reinsurance	11,280,382	8,830,156
Life & Health reinsurance	887,117	-386,429
Total	**12,167,499**	**8,443,728**

The approach used for the calculation of the reinsurance recoverables under Solvency II is identical to the approach used for the BEL calculation. For the retrocessions, separate projections are generated. All future cash flows are projected into the future using the same methods and assumptions as for the inward business and then discounted. However, the projection period can differ depending on the structure of the retrocession contract. For the reinsurance recoverables, a risk margin is not taken into account, because the risk mitigating effects of the retrocession are taken into account under the position technical provisions. More precisely, under the position technical provisions the risk margin is determined on a net basis, whereas the BEL is given on a gross basis. More details regarding the calculation of the technical provisions are provided in Section D.2 (general), Section D.2.1 (Property & Casualty) and Section D.2.2 (Life & Health).

The business is segmented based on the structure of the reinsurance agreements. A counterparty default adjustment is taken into account.

Under Solvency II, the open items of balances of accounts payables and receivables not yet agreed with retrocession partners with a certain amount are netted against the reinsurance recoverables.

The remaining differences in the valuation approach between Solvency II and HGB are comparable to the differences in the valuation of the best estimate liability, refer to Section "D.2.1 Technical Provisions Property & Casualty" subsection "Comparison to HGB-provisions" and Section „D.2.2.4 Comparison of the Technical Provision with the HGB Liability" for the Life & Health segment.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Property & Casualty reinsurance	8,838,733	8,830,156
Life & Health reinsurance	-403,642	-386,429
Total	**8,435,091**	**8,443,728**

For Property & Casualty reinsurance, the level of amounts of reinsurance recoverables is nearly unchanged.

For Life & Health reinsurance, the changes in the amount of reinsurance recoverables are due to business developments and adjustments, new business as well as economic variances.

D.1.14 Deposits to cedants R0350

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Deposits to cedants	12,268,385	9,327,174

The economic value of the deposits of the asset side is determined as the balance sheet item "Deposits to cedants".

For the majority of treaties, the gross presentation is pursued. For business with very limited risk transfer, Hannover Rück follows a netted presentation since the gross presentation (as, e.g., under HGB) would not be in line with the substance over form principle and would misstate the nature and intent of the transactions.

The market value of any "gross" deposits will be determined on a mark-to-model basis; especially the value of any "fixed investment income over risk free" is part of the value of the deposits.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Deposits to cedants	8,693,527	9,327,174

Changes in comparison to the previous reporting period in the amount of deposits to cedants are mainly due to economic effects and in the underlying business.

D.1.15 Insurance and intermediaries receivables R0360

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Insurance and intermediaries receivables	6,088,860	6,913,917

Solvency II differentiates between receivables as follows:

- Receivables from insurance companies and intermediaries: Amounts for payment by policyholders, insurers and others linked to insurance business that are not included in technical provisions. It shall include receivables from reinsurance accepted.
- Receivables from reinsurers: Amounts include all expected payments from reinsurers (linked to reinsurance business) to the undertaking, that are not included in reinsurance recoverables, and especially those that have been agreed between cedant and reinsurer and where the amount of the expected payment is certain.

Pursuant to Solvency II receivables from insurance companies and intermediaries are to be valued at the expected present value of future cash flows, i.e. they are to be discounted using the applicable rate of interest pursuant to Solvency II. Furthermore, the counterparty default risk is to be taken into consideration in the valuation. Both are omitted for reasons of simplification.

Receivables from insurers and intermediaries are recognised at their nominal amounts in line with the HGB.

Pursuant to the German Commercial Code and / or the Insurance Accounting Decree (RechVersV) no differentiation is made between active reinsurance and retrocession for accounts receivable / payable. The HGB values of this item therefore also comprise the receivables from reinsurers.

The differences in valuation of items R0360 and R0370 are therefore analysed together and amount to TEUR 1,203,320. The majority of the differences result from the partial reclassification of receivables from ceded business.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Insurance and intermediaries receivables	6,495,961	6,913,917

Compared to the previous year, the insurance and intermediaries receivables increase slightly. This is due to increasing business volume in the Property & Casualty segment.

D.1.16 Reinsurance receivables R0370

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Reinsurance receivables		378,263

Pursuant to Solvency II receivables from reinsurers are to be valued at the expected present value of future cash flows, i.e. they are to be discounted using the applicable rate of interest pursuant to Solvency II. Furthermore, the counterparty default risk is to be taken into consideration in the valuation. Both are omitted for reasons of simplification.

Receivables from reinsurers are recognised at their nominal amounts in line with the HGB. Valuation reserves have been formed for default risks.

The differences in valuation are stated in the item "Insurance and intermediaries receivables R0360".

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Reinsurance receivables	212,395	378,263

Compared to the previous year the volume of receivables for ceded business increased.

D.1.17 Receivables (trade, not insurance) R0380

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Receivables (trade, not insurance)	1,388,076	1,311,607

Pursuant to Solvency II receivables are to be valued at the expected present value of future cash flows i.e. they are to be discounted using the applicable rate of interest pursuant to Solvency II. Furthermore, the counterparty default risk is to be taken into consideration in the valuation. Both are omitted for reasons of simplification.

Receivables are recognised at their nominal amount pursuant to the HGB. Valuation reserves have been recognised for default risks.

The difference between the items in the solvency statement and in the financial statements prepared in accordance with German commercial law results from various reclassifications.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Receivables (trade, not insurance)	932,552	1,311,607

The difference of TEUR 379,055 between the reporting year and the previous year is mainly caused by an increase of receivables from profit absorption from affiliated companies and other receivables as well as by an increase of income tax receivables. Receivables from given cash collaterals and dividend receivables from consolidated companies declined slightly.

Compared to the previous period, the assumptions regarding the calculation of this item did not change.

D.1.18 Cash and cash equivalents R0410

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Cash and cash equivalents	410,838	410,838

Cash and cash equivalents include deposits, current account balances with banks and cash in hand. Nominal amounts are recognised in accordance with both Solvency II and the HGB.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Cash and cash equivalents	537,410	410,838

Compared to the previous period, the assumptions regarding the calculation of this item did not change.

D.1.19 Any other assets, not elsewhere shown R0420

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Any other assets, not elsewhere shown	100,806	100,887

The balance sheet item “Any other assets, not elsewhere shown“ comprises the following items:

- Pension insurance claims stemming from pension obligations.
- Other deferred / prepaid items, mainly in relation to service contracts, licences and maintenance.
- Settlement accounts with representatives of Hannover Rück
- Reimbursement rights

Deferred / prepaid items and settlement accounts are recognised at their nominal amount under Solvency II and in accordance with German Commercial Law.

The pension insurance claims stemming from pension obligations are recognised at their fair value in accordance with German Commercial Law and under Solvency II. In accordance with the HGB components of commitments linked to securities are offset with the corresponding obligations. In accordance with Solvency II these commitments linked to securities are not offset, due to the fact that assets are guaranteed by a Group company of Talanx (IAS 19).

The difference between the items in the Solvency II balance sheet and the annual accounts in accordance with HGB predominantly results from the different reporting of accrued interest.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Any other assets, not elsewhere shown	105,607	100,887

In comparison to previous year, assumptions for the calculation of this balance sheet item remain unchanged.

D.2 Technical Provisions

The technical provisions (TP) under Solvency II are determined as the sum of the best estimate liability (BEL) and the risk margin (RM).

Cash flows are discounted with risk-free rates in line with EIOPA requirements. A matching adjustment is not applied. Furthermore, the risk-free yield curves are not adjusted as set out in Article 308c of the Directive 2009/138/EC.

A temporary deduction according to Article 308d of the Directive 2009/138/EC is not applied. Furthermore, the concept of calculating the “TP as a whole” is currently not applied.

Hannover Rück applies the static volatility adjustment according to Article 77d of the Directive 2009/138/EC. This is intended to mitigate the effect of temporary value fluctuations due to credit spread movements on the bond market. In order to capture this effect adequately for the calculation of the Solvency Capital Requirement Hannover Rück uses the dynamic volatility in its internal model. The following table shows the impact of a non-application of a volatility adjustment on the TP, the SCR, the MCR, the basic own funds and the amounts of own funds eligible to meet the MCR and the SCR.

Even under a non-application of a volatility adjustment, the solvency ratio is still comfortable.

Impact of non-application of a volatility adjustment

in TEUR	Amount with Long Term Guarantee measures	Impact of volatility adjustment set to zero
Technical provisions	45,899,965	371,201
Basic own funds	20,245,379	-284,432
Eligible own funds to meet Solvency Capital Requirement	20,245,379	-284,432
Solvency Capital Requirement	7,759,125	332,781
Eligible own funds to meet Minimum Capital Requirement	18,363,132	-254,481
Minimum Capital Requirement	3,491,606	149,751

Transitionals are not applied at Hannover Rück.
For Solvency II purposes, all contracts have to be evaluated over the whole lifetime within the individual contract boundaries (ultimate view). The contract boundary is defined as the future date on which at least one of the following criteria is met:

- The (re)insurance undertaking has a unilateral right to terminate the contract.
- The (re)insurance undertaking has a unilateral right to reject premiums payable under the contract.
- The (re)insurance undertaking has a unilateral right to amend the premiums or benefits payable under the contract in such a way that the premiums fully reflect the risks.

In case no such condition is met, the policies are projected until their natural expiry.

The BEL is shown on a gross basis in the following, i.e. before the deduction of reinsurance recoverables, if not stated otherwise. The RM is shown on a net basis, i.e. reflecting the risk mitigating effect of retrocessions. This is consistent with the methodology used in the Solvency II balance sheet.

Best Estimate Liability (BEL)

The calculation of the BEL is based on the projection of future cash in- and outflows including premiums, claims, and expenses. Best estimate assumptions are used in the calculation of the BEL. The expenses consist of direct administration expenses and costs of ongoing operations.

Cash flows in connection with funds withheld (FWH) – increase, decrease or interest on FWH – of the underlying business are usually not netted against the liability cash flows. For transactions with very remote risk, a net presentation is applied. For all other transactions the FWH are grossed up. The quantitative FWH information inclusive of a comparison with the previous year is provided in Section “Deposits to cedants R0350” and “Deposits from reinsurers R0770” (in total for Property & Casualty and Life & Health reinsurance).

Balances of accounts payables and receivables not yet agreed with retrocession partners with a certain amount are netted against the reinsurance recoverables.

For the Property & Casualty and Life & Health business, the TP does not include any financial options and guarantees (FOGs).

The projections are done separately for assumed and retroceded business using the same bases, methods and assumptions.

Risk Margin (RM)

According to Article 37 (1) Delegated Regulation, a uniform Cost of Capital (CoC) approach is used for calculating the risk margin.

The CoC factor is 6%. The required capital is the SCR under Solvency II according to Hannover Rück’s internal model. The allocation of the SCR to the lines of business reflects the contribution to the SCR (Article 37). The allocated SCR contributions are projected to future periods using appropriate risk drivers for each line of business.

Diversification between the Property & Casualty and Life & Health reinsurance business group within Hannover Rück is taken into account.

D.2.1 Technical provisions Property & Casualty

D.2.1.1 Value of technical provisions

Technical provisions of Property & Casualty reinsurance, split by lines of business
in TEUR

Line of business	BEL	RM	TP	TP HGB	Difference SII and HGB
General liability insurance	4,883,757	46,798	4,930,555	8,410,481	-3,479,927
Workers' compensation insurance	212,669	1,719	214,389	278,147	-63,758
Income protection insurance	463,152	13,396	476,547	641,696	-165,149
Fire and other damage to property insurance	9,720,320	78,565	9,798,885	11,789,744	-1,990,859
Motor vehicle liability insurance	2,175,405	21,905	2,197,310	3,393,762	-1,196,452
Credit and suretyship insurance	2,126,188	29,128	2,155,316	3,162,302	-1,006,986
Marine, aviation, transport	1,451,275	13,359	1,464,634	2,062,405	-597,771
Other motor insurance	1,712,606	16,195	1,728,802	2,000,554	-271,752
Other insurance	941,794	8,502	950,296	1,173,180	-222,885
Non-proportional health reinsurance	1,211,558	43,478	1,255,035	1,386,462	-131,427
Non-proportional property reinsurance	5,187,740	78,523	5,266,263	5,602,967	-336,704
Non-proportional marine, aviation and transport	1,485,939	13,932	1,499,871	1,810,737	-310,867
Non-proportional casualty reinsurance	9,162,831	213,835	9,376,666	9,832,568	-455,902
Total Non-Life Obligation	**40,735,235**	**579,333**	**41,314,569**	**51,545,007**	**-10,230,438**

The table above gives an overview of the technical provisions of Property & Casualty reinsurance. "Other insurance" comprises the lines of business assistance, legal expenses insurance, medical expense insurance and miscellaneous financial loss.

D.2.1.2 Valuation of technical provisions

Valuation basis

For the calculation of the BEL under Solvency II the business of the company is split into homogeneous risk groups such that the nature, scale and complexity of the business is adequately taken into account.

In general, there are no deviations regarding the valuation methods between the different lines of business, therefore the valuation methods described in the following paragraphs are valid for all segments of Property & Casualty reinsurance.

Valuation methods

The evaluation of the BEL is based on the estimation of future cash flows, including all expected (future) cash in- and outflows related to existing obligations taking into account the time value of money. The BEL is calculated separately with respect to the best estimate premium provisions and the best estimate claims provisions.

The best estimate premium provision relates to claim events occurring after the valuation date and hence considers all estimated loss, premium and cost cash flows relating to future losses taking into account the respective discount effect.

The best estimate claims provision relates to claim events occurring before the valuation date and hence considers all estimated loss, premium and cost cash flows relating to losses already occurred taking into account the respective discount effect.

The Solvency II calculations to determine all relevant cash flows for premium and claims provision reflect a best estimate projection. The calculation of the BEL is based on gross data. Therefore, cash flows for premiums, claims and costs are modelled separately.

For the calculation, a whole-contract-view (with respect to the contractual agreements) is taken into account, i.e. all cash in- and outflows are projected to the economic ultimate within the contract boundaries.

The BEL comprises the sum of the discounted cash flows and is aggregated to the minimum lines of business according to Solvency II requirements.

Proportional non-life reinsurance obligations are mapped on the following lines of business under Solvency II:
- Medical expense insurance
- Income protection insurance
- Workers' compensation insurance
- Motor vehicle liability insurance
- Other motor insurance
- Marine, aviation, transport
- Fire and other damage to property insurance
- General liability insurance
- Credit and suretyship insurance
- Legal expenses insurance
- Assistance
- Miscellaneous financial loss.

Non-Proportional non-life reinsurance obligations are allocated on
- Non-proportional health reinsurance
- Non-proportional casualty reinsurance
- Non-proportional marine, aviation and transport
- Non-proportional property reinsurance.

Assumptions

For the calculation of the BEL, development pattern and estimated ultimates are applied on the homogenous segments. The pattern and the ultimates are determined on run-off triangles using state-of-the-art actuarial methods. The triangles are generated using up-to-date and trustworthy data. First, average inflation rates of the past are taken into account. With the help of scenario-based analyses for expected future inflation rates, the necessity of surcharges is examined. Events not in data (ENID) like emerging risks not observed in the past and thus not part of the historical triangle are taken into account as well.

The cash flows are discounted using the risk-free interest rates provided by EIOPA including a volatility adjustment and converted to the reporting currency using the exchange rate on the valuation date.

Overall, the described valuation bases, methods and assumptions ensure that the calculation of the BEL is proportionate to the nature, scale and complexity of the underlying risks.

Reinsurance Recoverables

In general, the projection of reinsurance recoverables is undertaken analogously to the principles applied for the calculation of technical (gross) provisions of Property & Casualty reinsurance.

Reinsurance recoverables are adjusted with regard to the expected loss upon default of the counterparty. This adjustment is determined separately and is based on the valuation of the probability of a default per counterparty over the whole lifetime – whether be it through insolvency or legal dispute – as well as the resulting change in cash flows due to loss per default at the respective time under consideration.

According to the HGB the demandable amounts from reinsurance contracts are calculated on the basis of reinsurance contracts. Valuation reserves have been formed for default risks.

The differences in the valuation apply analogously to the differences in the valuation of the best estimate liability, please refer to Section “D.2.1.4 Comparison with other provisions”.

D.2.1.3 Level of Uncertainty

The economic valuation of the P&C reserves is subject to a certain degree of uncertainty. This consists of the uncertainty of the timing of future cash flows, ultimate loss size and retrocessionaire default as well as the uncertainty associated with the ENIDs and is constantly monitored by several assessments.

Besides internal quality assurance and validation work, the actuarial calculations regarding the adequacy of the reserves are also subject to annual quality assurance reviews conducted by external firms of actuaries and auditors.

In the course of the segmentation of the business and the process of assumption setting it is ensured that the economic value of the technical provisions is calculated in a prudent, reliable and objective manner following the indications of Section 75 VAG. The nature and complexity of the reinsurance business and inherent reserving risks and data uncertainties is taken adequately into account.

For incorporating a default of the retrocessionaires, an expected default adjustment is made, which is related to the particular rating of the counterparty.

The risk margin, which is allocated to the different lines of business, can be taken as an indicator for the inherent risk of the business.

The calculation of the risk margin includes uncertainty with respect to the amount of solvency capital requirement and with respect to the projection of the future development of the solvency capital requirement. The solvency capital requirement is calculated using the Internal Model of the company, which is embedded into the internal control system of the company and is subject to defined validation standards. The assumptions regarding the projection of the future development of the solvency capital requirement are agreed within the company and – as part of the solvency balance sheet – are subject to an external audit.

D.2.1.4 Comparison with other provisions

Comparison to HGB technical provisions

In the following, a reconciliation between HGB liability and Technical Provisions (TP) is provided. The reconciliation steps are explained below this table. The figures are net of reinsurance recoverables.

Major revaluation effects[1]
in TEUR

Description	2025
Technical provisions property and casualty reinsurance net under HGB	**40,264,625**
Discounting of cash flows	-5,127,602
Risk margin	579,333
Netting of accounts payables and receivables	1,044,618
Other revaluation effects	-4,276,563
Technical provisions property and casualty reinsurance net under Solvency II	**32,484,412**

[1] Presentation of revaluation effects has been changed and corrected compared to previous reports, including a net to net comparison. “Other” includes equalization reserves and SII premium provision.

Under HGB, most technical provisions are presented on a nominal basis, while under Solvency II on a discounted basis.

The Solvency II risk margin is shown in the second line. HGB does not have a risk margin.

Payables and receivables are netted under Solvency II, whereas presented on a gross basis under HGB.

Other revaluation effects include HGB equalisation reserves, Solvency II premium provisions and other differences in the reserving level (best estimate under Solvency II vs. prudence principle under HGB).

Comparison to prior year

Comparison to BEL of last year

in TEUR	2024	2025
BEL gross	39,498,228	40,735,235
BEL net	30,659,494	31,905,079
RM	541,878	579,333

The increase in BEL is mainly due to an increased business volume.

D.2.2 Technical provisions Life & Health

D.2.2.1 Quantitative information on technical provisions Life & Health

In this section, quantitative information for the Life & Health business with respect to BEL, RM and TP as well as the statutory liability is provided.

Details with respect to the basis of valuation, the valuation methods and the main assumptions underlying the calculation of the TP are given in Section “D.2.2.2 Valuation of the technical provisions”. Details regarding the treatment of funds withheld (FWH) as well as payables and receivables are provided in Section D.2.

Material differences between the TP and the statutory liability are explained in Section D.2.2.4.
The following companies comprise the Life & Health business for Hannover Rück:

- Hannover Rück: business written in Hannover Rück and by branches of Hannover Rück

- Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton
- Hannover Life Reassurance Company of America, Orlando
- Hannover Life Re of Australasia Ltd, Sydney
- Hannover Re South Africa Ltd, Johannesburg
- Hannover Re (Ireland) Designated Activity Company, Dublin.

The following table provides an overview of the liabilities of the segments. The index-linked and unit-linked business is contained in the life segment.

Technical provisions Life & Health per line of business
in TEUR

Line of Business	BEL	RM	TP	HGB Liability	Comparison SII and HGB
Life	1,516,910	457,865	1,974,775	11,291,992	-9,317,216
Health	2,181,527	429,094	2,610,621	689,670	1,920,951
Total	**3,698,437**	**886,959**	**4,585,396**	**11,981,661**	**-7,396,265**

The segmentation into the Life and Health lines of business is slightly different under Solvency II and HGB. A reconciliation from the HGB liability net of reinsurance to the Solvency II TP net of reinsurance is provided in Section D.2.2.4.

D.2.2.2 Valuation of the technical provisions Life & Health

Valuation basis

All business is valued employing current best estimate assumptions. If not mentioned otherwise, all explanations provided in the following sections shall apply for both the Life and the Health segment. The general methodology used for calculating the BEL, RM and TP is described in Section D.2.

With only a few exceptions, the BEL is calculated individually per treaty. The calculation is based on weighted model points (paragraph “Valuation Methods”) or – if available and material – based on individual policy data. Usually the portfolio development is modelled using appropriate mortality and morbidity tables, respectively, as well as lapse rates. A certain part of the risk premium basis business is modelled on a loss-ratio based approach.

Valuation methods

Based on weighted model points (e.g. tariff, gender mix, entry age, policy term, reinsurance conditions) and policy data, respectively, as well as assumptions for mortality, morbidity, lapse and relevant interest rate curves, the portfolio development and all resulting reinsurance profit items (i.e. premium, commission, benefits, and interest) are projected into the future.

Assumed and retroceded business is projected separately. Management expenses are allocated to treaties and projected into the future. In general, thereby the reporting currency of the respective branch is applied.

Usually the BEL is calculated in the respective treaty main currency and using currency specific interest rate curves.

Simplified methods are not used for calculating the BEL and RM, respectively.

Material assumptions for the Life and health business (excluding longevity business)

Business is written all over the world with a wide range of different policy types, tariffs and mortality / morbidity tables.

For treaties projected individually, the calculation of the BEL is initially based on weighted model points or even on policy data. The assumptions are regularly reviewed and - if necessary - adjusted on the basis of the accounts from the cedants or detailed experience analyses. The reinsurance conditions of the treaty are reflected in the calculation of the BEL.

For the majority of the business in the US and UK market, specific mortality and morbidity assumptions are derived from the Company's base standard tables and updated regularly.

Lapse rates are set from the original pricing basis of the treaty and adjusted for actual experience where credible data exists and for changes of the internal view of long-term lapse rates.

With the exception of mortality business in the North American markets and certain mortality and morbidity business in the UK market, no material allowance for future mortality improvements is made.

Smaller treaties are modelled in a simplified model using more general assumptions. Base mortality / morbidity tables are chosen in order to be appropriate for the market of the respective treaties. The assumptions are monitored based on the booked results from the past and adjusted if necessary.

For a portion of the business expected claims are based on loss ratios. I.e. instead of using explicit mortality / morbidity and lapse rates, the claims are estimated via a certain proportion of the premium.

Future Management Actions (FMA) are currently only considered for certain American, Australian and Asian business. With the exception of certain Asian business and selected contracts in the US market, future management actions generally have no impact on the best estimate projections, but only on the probability distribution in the internal model. Therefore, they affect the SCR and the risk margin.

Material assumptions for the longevity business

The calculation of the BEL is based on policy data. Best estimate base mortality assumptions are set on a treaty level. Best estimate mortality improvement assumptions are set either by treaty or by country. The assumptions are monitored when the accounts from the cedants are booked and are in turn adjusted, if necessary, or if other information indicates a need for change. Furthermore, detailed mortality studies are carried out to allow for a comparison between expectation and experience and to adjust if necessary.

Assumptions changes in comparison to the previous reporting period

The following section outlines material changes in the assumptions underlying the calculation of the BEL compared with the previous reporting period.

The assumptions regarding mortality improvements for material portions of the longevity business in the UK market were revised, resulting in a reduction of the BEL. In addition, adjustments to mortality assumptions for certain death benefit treaties in the Australian market as well as for selected business of the Paris branch also contributed to a reduction in the BEL. Termination rates were adjusted for one disability contract in the Australian market.

These effects were partially offset by the BEL increasing changes described below. Morbidity assumptions for material contracts of the Asian critical illness business were strengthened. Moreover, morbidity assumptions for certain treaties in the Australian market were revised. Lapse assumptions

were adjusted for certain treaties in the Australian market and for one contract of the Malaysia branch.

Reinsurance recoverables

For all retrocessions to third party reinsurers where the recoverable represents an asset to Hannover Rück, a default adjustment according to their average rating was included.

In total, the reinsurance recoverables are negative (TEUR -386,429), i.e. it is to be seen as a liability for Hannover Rück and increases the net Solvency II reserves.

The respective statutory reinsurance recoverables amount to TEUR 887,117. Certain revaluation steps between HGB and Solvency II are provided in Section D.2.2.4.

D.2.2.3 Risk assessment

The main area of uncertainty regarding the amount of the TP relates to a potential deviation of actual experience from the underlying assumptions and to the sensitivity of cash flows to changes in these assumptions. This is reflected in the Risk Margin.

The key drivers to the overall level of uncertainty lie in longevity, morbidity and mortality business. This also becomes evident from the capital requirements under Solvency II presented in Section C.1.4.

The longevity business is very dependent on the appropriateness of the underlying mortality tables and mortality improvement assumptions, in particular due to its long-term nature. While the premiums are known, the expected claim payments are very sensitive to the underlying mortality table, and more importantly in the later years, the mortality improvement that is applied to the underlying table. The underlying mortality assumptions are based on copious amounts of data and experience studies, both internally held and industry accepted. However, a certain level of judgment is involved in assessing the applicability of historical mortality improvement observations for forward-looking purposes. In general, changes in the interest rates have little impact as to the cash flows; however, they can have a material impact on the discounting of the cash flows.

Morbidity risks are a material driver of uncertainty in the modelling of business. Relevant morbidity risks stem from potential changes of incidence rates for Asian critical illness business, Australian and Taiwanese disability business and critical illness business of the UK branch as well as long-term care business.

For the mortality business small changes in the mortality rates can have significant effects on the claim payments. However, for a significant share of the portfolio, this risk is largely mitigated by profit commission arrangements such that changes in mortality rates would change the underlying cash flow pattern but would have a limited impact on the associated BEL. The mortality rates are well grounded in available data. For longer tailed products, in particular in the North American and UK market, mortality improvement and expert settings can also play an important role. Significant mortality risk is especially stemming from US mortality business.

Changes in lapse rates are material for certain products as well, with a varying level of confidence based on product design and the experience available. The directionality of the lapse effect is dependent on the treaty and type of reinsurance used. In aggregate, an increase in lapse rates would be more adverse in that Hannover Re would forgo positive expected future cash flows.

Pandemic risk is a tail risk, i.e. a risk with a low probability of occurrence but a potential high impact. Pandemic risk is one of the key drivers of capital requirements and is therefore allowed for in the Risk Margin.

Financing business is generally not or only moderately exposed to mortality or morbidity risks and thus experiences a low level of uncertainty. Repayment of the outstanding financing amount can diminish on a combination of adverse biometric experience and lapses, but this is accounted for in the Risk Margin. Cedant default risk is also accounted for in the Risk Margin.

D.2.2.4 Comparison of the technical provision with the HGB liability

In the following, a reconciliation between HGB liability and TP is provided. The reconciliation steps are explained below this table. The figures are net of reinsurance recoverables.

Reconciliation from HGB to Solvency II
in TEUR

Reconciliation Step	Explanation	2025
(1)	**Technical HGB liability net of reinsurance**	**11,094,544**
(2)	Risk Margin	886,959
(3)	Deposit cash flows for very risk remote transactions are inlcluded in TP under Solvency II	-2,370,821
(4)	Further differences in methods / assumptions	-4,720,942
(5)	Netting of accounts payables and receivables	50,619
(6)=(1)+...+(5)	**Solvency II TP net of reinsurance**	**4,940,359**

The sources of the differences in methods and assumptions are:

(4a) The calculation of the BEL includes all future cash flows. For profitable business, this means including future profits. In contrast, the HGB liability does not allow for future profits according to the realization principle in connection with the prudence principle.

(4b) For cash financing business, the repayment of the initial commission is included in the BEL, but not allowed to taken into account for statutory valuation purposes.

(4c) The BEL reflects current best estimate assumptions (e.g., regarding mortality and lapse), whereas the statutory assumptions are based on the prudence principle.

(4d) The BEL is discounted with current risk free interest rates including the volatility adjustment, whereas the statutory liabilities are calculated using valuation interest rates.

(4e) For some treaties the Solvency II contract boundaries differ from the contract boundaries under statutory.

D.3 Other Liabilities

D.3.1 Provisions other than technical provisions R0750

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Provisions other than technical provisions	313,714	171,043

The following items are listed in the Solvency II balance sheet under non-technical provisions:
- Provisions for outstanding remuneration payments, in particular for the Group Performance Bonus (GPB) and for share-based remuneration (Share Awards)
- Provision for interest pursuant to Section 233a of the Fiscal Code
- Provision for annual accounts costs
- Provision for suppliers' invoices
- Provision for costs of legal action
- Provision for partial retirement.

In the Solvency II balance sheet, the fair value calculated pursuant to the regulations stipulated by IAS 37 is applied.

In accordance with commercial law, other provisions are calculated according to the necessary settlement value based on sound judgement.

The difference of TEUR 142,671 between the amount in the Solvency II balance sheet and in the annual financial statements pursuant to commercial law is caused by different valuation approaches and a different definition of this position respectively.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Provisions other than technical provisions	169,446	171,043

In comparison to the previous year, the underlying assumptions for this position did not change.

D.3.2 Pension benefit obligations R0760

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Pension benefit obligations	116,330	104,939

In the Solvency II balance sheet, the valuation of pension payment obligations is made analogously to the valuation pursuant to IAS 19 “Employee Benefits” using the Projected Unit Credit Method, which is described in Section “D4. Alternative methods for valuation”.

The commitments to employees in Germany predominantly comprise benefit obligations financed by Hannover Rück. A large proportion of obligations are based on defined benefit obligations.

The provisions for pensions in Germany and abroad were calculated on the basis of uniform standards according to prevailing economic circumstances.

Pursuant to the HGB pension payment obligations are set in principle according to the necessary settlement value based on sound business judgement. They are discounted using the average interest rate of the previous ten years and with an assumed residual maturity of 15 years, as published by the German Central Bank (Deutsche Bundesbank) pursuant to the Regulation on the Discounting of Provisions (RückAbzinsVO). The pension payment obligations are calculated using the Projected Unit Credit Method. The salary trend, pension trend and performance adjustment due to profit participation by reinsurers are taken into account. Probabilities of fluctuation are calculated separately depending on age and gender.

With employee-financed pension commitments, the amount of which is defined exclusively by the fair value of the receivables reinsurance cover (financed by employer) a valuation is made pursuant to Section 253 Par 1 Sentence 3 of the HGB. For these commitments, the settlement value corresponds to the fair value of the actuarial reserve plus profit participation.

The difference between the valuation bases in the Solvency II balance sheet and in the annual accounts according to commercial law totalling TEUR 11,391 is particularly attributable to the different interest rates applied for discounting.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Pension benefit obligations	113,071	104,939

In comparison to the previous year, assumptions regarding the calculation of this balance sheet item remained unchanged.

D.3.3 Deposits from reinsurers R0770

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Deposits from reinsurers	4,477,947	4,208,234

The deposits from reinsurers are determined analogously to the deposits to cedants. The respective methodology is described in Section “Deposits to Cedants R0350”.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Deposits from reinsurers	4,795,887	4,208,234

Changes in the amount of deposits from reinsurers under Solvency II are mainly due to economic effects and in the underlying business.

D.3.4 Deferred tax liabilities R0780

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Deferred tax liabilities		2,760,431

The calculation of deferred taxes under Solvency II is carried out in accordance with Article 15 of the Delegated Regulation. Deferred taxes are recognised and measured for all assets and liabilities, including technical provisions.

In the Solvency II balance sheet, no deferred tax assets are recognised. A deferred tax liability of TEUR 2,760,431 is reported. This subsequently leads to an excess of tax liability over tax assets, that is calculated in two steps.

The first step involves the calculation of deferred taxes on the basis of valuation differences between the IFRS balance sheet and the tax balance sheet, within the scope of generating the IFRS balance sheet for the consolidated financial statement of the Hannover Re Group. Here, deferred tax assets or liabilities are recognised pursuant to IAS 12 (Income taxes) as well as on an intra-year basis pursuant to IAS 34 (Interim financial reporting). Deferred tax assets or liabilities are generated, if asset or liability items in the IFRS balance sheet are to be recognised at lower or higher amounts than those in the tax balance sheet, and if these differences will invert in future (temporary differences). Temporary differences basically result from valuation differences between the tax balance sheet, created in line with national standards, and the IFRS balance sheet as well as from consolidation procedures. Deferred taxes are not calculated on permanent differences.

Deferred tax assets are also calculated based on tax loss carry forwards and tax credits. Adjustments are made as soon as the realisation of the deferred tax assets appears no longer probable in future (refer to chapter E.1.3.6 for more details on the impairment test). Deferred taxes are valued using the ratified rates of tax in the respective country, which apply or have been decreed as at the reporting due date.

The second step consists of the calculation of deferred taxes based on the valuation differences between the Solvency II balance sheet and the IFRS balance sheet. The granularity of this calculation is in line with the granularity of the calculation of deferred tax under IFRS. Reclassifications are considered (e.g. referring to payables/receivables and intragroup loans) to reflect specific requirement under Solvency II. The calculation of the deferred tax asset and liability is carried out on the level of individual balance sheet items. According to Guideline 9 of the EIOPA guidelines, no discounting applies in the valuation of deferred taxes in the Solvency II balance sheet. Furthermore, under Solvency II there is a requirement to offset these positions, which is based on IAS 12.74 in conjunction with Guideline 9 of the EIOPA Guidelines. A detailed description of this requirement is available in Section E.1.3.6.

As a result of these two steps the deferred taxes based on the valuation differences between the tax balance sheet and the Solvency II balance sheet are calculated.

With existing differences between the commercial and tax valuation for assets, liabilities and deferred / prepaid items, which are expected to invert in subsequent financial years, this can on-balance result in a tax relief being stated as a deferred tax asset, or a tax burden being stated as a mandatory deferred tax liability in the HGB balance sheet.

In the annual accounts of Hannover Rück, in line with the HGB, no deferred tax liabilities are stated due to the fact that, on balance, an asset surplus exists and the right to capitalisation is not exercised.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Deferred tax liabilities	2,966,628	2,760,431

In comparison to previous year, the assumptions for the calculation of this balance sheet item remain unchanged.

D.3.5 Derivatives R0790

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Derivatives		87,803

Derivative Assets (R0190) and Derivative Liabilities (R0790) are stated in the Solvency II balance sheet as separate items, unoffset at their market value. The market value of derivatives primarily corresponds with the stock exchange rate. If no stock exchange rates are available, derivatives are valued on the basis of parameters derived from observed market data (e.g. interest and spread curves, volatilities, spot and forward rates) within the applied framework of suitable valuation models and methods.

In annual accounts pursuant to the HGB the valuation of financial derivatives and derivatives on biometric indices is done on a fair value basis. Derivatives which are part of an insurance contract are valued as part of technical liabilities and are not stated separately.

Hannover Rück concludes central hedging transactions with third parties for some of its subsidiaries. The valuation of these financial derivatives is carried out at fair value. Hannover Rück transfers the cost of these hedging transactions internally to these subsidiaries, so that in their Solvency II balance sheet, derivative assets stand vis-à-vis derivative liabilities at the balance sheet date.

Pursuant to the HGB the company had summarised, as at the reporting date, reciprocal forward foreign-exchange contracts into valuation units with offsetting effect under the application of the net hedge presentation method. The application of the net hedge presentation method means that changes in the value of the underlying and hedging transactions are offset and are neither stated in the balance sheet nor in the profit and loss statement, insofar as the occurrence of risks is excluded and the positive and negative changes in value of the underlying and hedging transactions are nearly equalised. Thus, TEUR 85,736 of the difference in valuation are traced back to the different reporting of the hedging transactions under Solvency II and the HGB.

In order to hedge the risk of share price changes in connection with the stock appreciation rights granted under the share award plan, Hannover Rück has taken out hedges in the form of so-called equity swaps. The hedge is effected at the level of tranches and on a rolling basis with a maturity of three to four months until the share awards are paid out after five years.

According to Solvency II equity swaps are marked-to-market. At the balance sheet date, the fair value was TEUR 2,067 and is recognised on the liability side of the balance sheet. Pursuant to Section 254 of the HGB, the underlying and the hedge were combined in a single valuation unit.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Derivatives	110,690	87,803

In comparison to the previous year, the assumptions regarding the calculation of this balance sheet item did not change.

D.3.6 Financial liabilities other than debts owed to credit institutions R0810

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Financial liabilities other than debts owed to credit institutions	945,294	945,155

Liabilities are valued using the expected present value of future cash flows pursuant to Solvency II. For reasons of materiality, no discounting is applied for most of the items in this position.

Liabilities are recognised at their fulfilment amounts in line with commercial law.

The difference between the items in the Solvency II balance sheet and in the annual accounts pursuant to commercial law is in total TEUR 139. This includes the discounting of a senior bond issued in the 2018 financial year. Furthermore, under Solvency II, lease liabilities must be recognised which are not recorded under statutory accounting. Both effects work in opposite directions and almost entirely offset each other.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Financial liabilities other than debts owed to credit institutions	1,381,883	945,155

The difference of TEUR 436,728 between the reporting year and the previous year results predominantly from a decrease in loans with group companies.

In comparison to the previous year, the remaining assumptions regarding the calculation of this balance sheet item did not change.

D.3.7 Insurance & intermediaries payables R0820

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Insurance & intermediaries payables		1,192,313

Solvency II differentiates between payables as follows:

- payables to insurance companies and intermediaries: Amounts payable to policyholders, insurers and other business linked to insurance that are not included in technical provisions. It shall include payables from reinsurance accepted.
- payables to reinsurers: Amounts payable to reinsurers other than deposits linked to reinsurance business that are not included in reinsurance recoverables. It includes all expected payments from the undertaking to reinsurers, especially agreed payments between cedant and reinsurer and where the amount of the expected payment is certain.

Liabilities are to be valued using the expected present value of future cash flows pursuant to Solvency II. For reasons of materiality, no discounting is applied.

Liabilities are recognised at their fulfilment amounts in line with commercial law.

Pursuant to the HGB and / or the Insurance Accounting Decree (RechVersV) no differentiation is made between active reinsurance and retrocession for accounts receivable / payable. The HGB values of the payables are summed under the item “Reinsurance payables R0830”. For this reason, the differences in valuation for both items are described jointly in the explanations for R0830.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Insurance & intermediaries payables	1,297,535	1,192,313

Compared to the previous year, the volume of insurance and intermediaries payables decrease slightly.

D.3.8 Reinsurance payables R0830

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Reinsurance payables	3,187,621	1,498,761

Liabilities are to be valued using the expected present value of future cash flows pursuant to Solvency II. The predominant part of the payables to reinsurers is not discounted for reasons of materiality. Reinsurance payables shown in this position have been agreed between the cedent and reinsurer and the amount of the expected payment is certain.

Liabilities are recognised at their fulfilment amounts in line with the HGB.

The differences in valuation of items R0820 and R0830 are therefore taken together and amount to TEUR 496,547. The majority of the differences result from the partial reclassification of payables from ceded business.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Reinsurance payables	1,404,016	1,498,761

Compared to the previous year, the volume of reinsurance payables increased.

D.3.9 Payables (trade, not insurance) R0840

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Payables (trade, not insurance)	453,348	455,870

Liabilities are to be valued using the expected present value of future cash flows pursuant to Solvency II. For reasons of materiality no discounting is applied.

Liabilities are recognised at their fulfilment amounts in line with the commercial code.

The difference of TEUR 2,522 between the items in the solvency statement and the financial statements prepared in accordance with the HGB results from reclassifications.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Payables (trade, not insurance)	544,128	455,870

In comparison to the previous year, the assumptions regarding the calculation of this balance sheet item did not change.

The difference of TEUR 88,258 between the reporting and the previous year is mainly based on a decrease of income tax liabilities by TEUR 142,995 and a simultaneous increase of liability from repurchase agreements by TEUR 35,695.

D.3.10 Subordinated liabilities R0850

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Subordinated liabilities	2,750,000	2,580,568

Subordinated loans can be classified under Solvency II as subordinated own funds, which belong to basic own funds. Subordinated loans represent financial contractual obligations, which are subordinate to all other loan payables and obligations. The creditors have subordinated rights in comparison to all other debt capital providers. In particular in the event of insolvency, the subordinated capital possesses subordinated claims vis-à-vis other debt capital.

The economic valuation for the Solvency II balance sheet is derived from the fair value approach pursuant to IAS 39; here, adjustments due to changes in the company's own creditworthiness are not accounted for in Solvency II.

An overview of the individual components of the subordinated loans under Solvency II is represented in Section E.1.3.5.

Payables – including those which are subordinated – are to be recognised pursuant to Solvency II at the expected present value of future cash flows; they are principally subject to discounting. Pursuant to the HGB, payables are recognised at their fulfilment amounts and are not discounted. This results in a difference between the items in the Solvency II balance sheet and in the annual accounts pursuant to commercial law to the amount of TEUR 169,432.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Subordinated liabilities	3,095,367	2,580,568

The underlying valuation method did not change compared to the previous year.

D.3.11 Any other liabilities, not elsewhere shown R0880

Differences in valuation

Values as of 31.12.2025 in TEUR	HGB	Solvency II
Any other liabilities, not elsewhere shown	158,426	194,816

In accordance with Solvency II, liabilities must be measured at the expected present value of future cash flows. For reasons of materiality, no discounting is applied.

Liabilities are recognised at their fulfilment amounts in line with the commercial code.

The difference between the items in the Solvency II balance sheet and in the annual accounts pursuant to commercial law to the amount of TEUR 36,390 is the result of reclassifications.

Comparison to prior year

in TEUR	Solvency II 2024	Solvency II 2025
Any other liabilities, not elsewhere shown	272,798	194,816

In comparison to the previous year, the assumptions regarding the calculation of this balance sheet item did not change.

D.4 Alternative methods for valuation

Valuation principles are applied pursuant to Solvency II. In addition to the general valuation principles the following valuation hierarchy is applied to the recognition and valuation of assets and other liabilities.

- Stock exchange prices observed on active markets are utilised as part of the standard valuation method. The use of stock exchange prices should be based on the criteria stipulated for an active market, which are defined in the International Accounting Standards (IAS).
- If no stock exchange prices in active markets are available for the assets and liabilities to be valued, stock exchange prices from similar assets and liabilities are used. Adjustments are made in order to reflect the differences.
- In instances where the criteria for the use of stock exchange prices are not fulfilled, alternative valuation methods are used (different methods to those described in number 2). If alternative valuation methods are used these should be – to the greatest extent possible – based on market data, and should contain – to the least extent possible – company-specific influencing factors.

Hannover Rück uses alternative valuation methods for some balance sheet items, which are subsequently described in more detail:

D.4.1 Gross Rental Method

The gross rental method is applied above all to developed real estate, the ownership of which serves to generate a sustainable income stream, i.e. above and beyond the residual useful life. The gross rental method concerns an indirect sales comparison approach due to the use of the property rate derived from comparative purchase prices.

D.4.2 Projected Unit Credit Method

This method is applied for calculating pension payment obligations. It is calculated according to actuarial principles and is based on the commitments made by Hannover Rück to retirement, invalid and widowed pensions. The commitments are aligned with the duration of company tenure and the level of salary. This exclusively concerns performance-

related pension plans (Defined Benefit Plans). The basis of the valuation is the estimated future salary development of those eligible for a pension. The discounting of benefit entitlements is made by applying the capital market interest rate for the highest rated securities. So-called planned assets do not exist.

D.4.3 Market value determination for assets which are not listed on a stock exchange

For the calculation of market values for assets which are not listed on a stock exchange, or whose relevant markets are deemed to be inactive at the point in time of valuation (please also refer to Section D "Assessment of active markets"), we use the following valuation models and methods as an alternative. They represent the standard and recognised methods used for the respective assets, and are used in order to be able to determine a market price in spite of the absence of available valuations from active markets.

The major proportion of inventories valued using alternative valuation methods is valued on the basis of the present value method. This is a predominantly assumption-free method, with which the future cash flows of securities are discounted with the use of suitable interest rate curves. These curves are derived from appropriate market data observed on publicly accessible markets. Broadly speaking, this procedure is premised on the assumption generally accepted in the market that price differences for comparable securities listed in transparent markets with regard to risk, term and creditworthiness are predominantly the result of issuance-specific characteristics and lower liquidity, and are thus deemed immaterial with regard to their influence on market value.

Specific assumptions are made in the valuation of CLOs. They relate to prepayment rates and retrieval rates. The prepayment rate describes the scope available for the instrument to repay to the bearer parts of the outstanding nominal amount before maturity. The retrieval rate is the proportion of the nominal amount repaid to the bearer subsequent to proceedings triggered by a potential default. Both parameters are estimated with an industry-standard fixed value. They do, however, have a comparably limited influence on the valuation. The significant valuation parameters here are either directly observable market data, or are derived there from.

Financial instruments	Parameters	Valuation models / methods
Unlisted plain-vanilla bonds, interest rate swaps	Interest rate curves	Present value method
Unlisted, structured bonds	Interest rate curve, volatility surfaces	Hull-White, other term structure models
CLO	Risk premiums, default rates, prepayment speed and recovery rates	Present value method
Unlisted equities and participations	Acquisition costs, cash flows, EBIT multiples, book value as applicable	Capitalised earnings method, discounted cash flow method, multiples-based approaches
Private equity funds, Private equity real estate funds	Audited net asset values (NAV)	Net asset value method
Unlisted fixed income, equity and real estate funds	Audited net asset values (NAV)	Net asset value method
Currency forwards and swaps	Interest rate curves, spot and forward rates	Interest rate parity model
OTC stock options, OTC stock index options	Quoted price of the underlying stock, implicit volatility, money market yields, dividend yield	Black-Scholes model
Insurance derivatives	Market values, actuarial parameters, interest rate curve	Present value method
Total Return Swaps, Equity Swaps	Quotation underlying, interest rate curve	Present value method
Zero Coupon Inflation Swaps	Interest rate curve, inflation curve, seasonality	Present value method

If particular structures are embedded into the security such as, for example, termination rights, further valuation models are also utilised such as, for example, the Hull-White Model or the Libor Market Model. The models calculate, for example, the probability of termination rights being exercised with the help of swaption volatilities. No noteworthy assumptions are utilised here either.

The use of models includes different model risks, which can lead to a degree of valuation uncertainty:
- Modelling risk (appropriateness and suitability of the model)
- Data quality risk (incomplete or obsolete data for the model calibration or parameterisation)
- Risk pertaining to the validity of assumptions and estimations.
- Risks in the model implementation

Through a process of regular validation in which a systematic, quantitative and qualitative assessment of the appropriateness of valuation models and methods is undertaken, model risks can be limited. Furthermore, the model results (for items which are predominantly valued using alternative valuation methods) are continuously subject to plausibility checks as part of daily quality assurance processes.

D.5 Any other information

Other information which has a significant influence on the valuation for solvency purposes are contingent liabilities and other financial obligations with a residual term longer than five years.

Hannover Rück uses pledges for the purposes of collateralising its underwriting obligations against cedants in the form of letters of credit (LoC), which have been issued by various banks. The overall volume amounts to TEUR 1,875,523. The letters of credit concluded by Hannover Rück protect both Hannover Rück directly and also its subsidiaries.

Hannover Rück is obligated under certain circumstances to defend and uphold the rights and obligations of its subsidiaries against third parties, due to novation clauses in reinsurance contracts. The subsidiaries have formed reserves totalling TEUR 6,739,236. During the financial year, the issuance of letters of comfort was waived.

Hannover Rück has submitted guarantees for affiliate companies against third parties totalling TUSD 277,500. Additionally guarantees are submitted totalling TGBP 10,000. The term of guarantees is determined by the secured obligations held by affiliate companies. Hannover Rück receives guarantee commissions for this. Furthermore, financial obligations against affiliate companies exist amounting to TUSD 800,000 in total, payment obligations against a subsidiary in South Africa resulting from written primary insurance and reinsurance business amounting to TZAR 400,000 in total.

Hannover Rück receives collateral from its retrocessionaires for the safeguarding of receivables from retroceded business. The provision of collateral by the retrocessionaires takes places in the form of letters of credit (LoCs) and deposits among other forms. For the majority of our

retrocessionaires we also function as reinsurer, meaning that in most cases recoverables can potentially be set off against our own liabilities.

Hannover Rück has residual payment obligations totalling TEUR 488,772 for special investments and shares in affiliate companies. Furthermore, there is a long-term compensation obligation of TEUR 7,058 to HDI Unterstützungskasse.

E. Capital Management

This section presents the main elements of Hannover Rück's capital management.

E.1 Own funds

E.1.1 Management of own funds

Hannover Rück aims to maintain a capitalisation of at least 180% under Solvency II. In addition, a threshold of 200% is defined. Own funds are managed in such a way that the minimum capitalisation is not undercut in the planning. This is achieved through coordinated planning and management of all own funds components, dividend payments and the risk profile.

The capital management process comprises a classification of all own funds components with regard to the Solvency II tiering specifications, with regard to basic and ancillary own funds and an assessment of the availability of the different own funds components.

In general, it is our objective that our hybrid capital instruments correspond with tier 2 category requirements. The timing of each issue takes into account the current market conditions and our medium-term growth objectives. In case of a required replacement of a subordinated bond, the detailed replacement planning process normally begins a year before the regular call date.

Hannover Rück's economic capital model is used for the evaluation of both the quantitatively measurable individual risks and also the overall risk position. The assumptions and calculation methods for the determination of the risk-bearing capacity of the company are recorded in the documentation of the risk model and in regular reports.

E.1.2 Tiering

The classification of own funds with regard to their ability to cover losses represents a central component of regulatory capital requirements pursuant to Solvency II. The individual components of the own funds will be classified into one of three quality classes ("tiers").

Own fund items classified under tier 1 possess the highest degree of quality, due to the fact that they are permanently available. They equalise verifiably unexpected losses, both during ongoing business operations and in the event of a company liquidation. Tier 2 refers to basic own funds items and ancillary own funds items which possess the ability to equalise losses incurred in the event of a company liquidation. Own fund items, which are not categorised under tier 1 or tier 2, are categorised under tier 3. Tier 3 capital comprises deferred tax assets in accordance with Article 76 of Delegated Regulation 2015/35. Deferred tax assets and liabilities against territorial authorities are offset and, in the case of a net receivable, reported as an own funds item.

E.1.3 Basic and eligible own funds

The following table displays the composition of basic own funds held by Hannover Rück as of 31. December 2025.

Structure of basic own funds

in TEUR	2024	2025
Tier 1 unrestricted	17,479,330	17,664,811
Ordinary share capital	120,597	120,597
Share premium account	880,608	880,608
Reconciliation reserve	16,478,124	16,663,606
Tier 1 restricted	506,175	
Subordinated own funds	506,175	
Tier 2	2,589,192	2,580,568
Subordinated own funds	2,589,192	2,580,568
Tier 3	12	
An amount equal to the value of net deferred tax assets	12	
Total	**20,574,709**	**20,245,379**

The individual quality classes are subject to legal limitations in their ability to absorb losses. Against this background, available basic own funds items cannot completely be used to cover Hannover Rück's overall risk position. The proportion of basic own funds that can be called upon to cover the overall risk position pursuant to the SCR and MCR is designated as eligible own funds in the following section.

The change in basic own funds compared to previous year results from an increase of the excess of assets over liabilities, the redemption of a subordinated bond and a slight change of deferred taxes. Valuation changes in subordinated capital in the reporting year played a minor role.

The increase of the excess of assets over liabilities compared to reporting year 2025 also increases the reconciliation reserve. A higher dividend payout compared to previous reporting period reduces the overall effect.

Available and eligible own funds

in TEUR	2024	2025
Total available own funds	20,574,709	20,245,379
Total eligible own funds to meet SCR	20,574,709	20,245,379
Total eligible own funds to meet MCR	18,684,523	18,363,132

Based on the regulations on minimum capital requirement (MCR) with respect to quality requirements regarding loss-bearing capability of own funds, the available tier 2 own funds are taken into account according to proportion to the respective own funds component. Tier 3 basic own funds cannot be used to cover the minimum capital requirement.

E.1.3.1 Reconciliation from HGB shareholders' capital to Solvency II eligible own funds

The transition from HGB shareholders' capital to Solvency II eligible own funds is presented in the table below.

Transition of HGB shareholders' capital to Solvency II eligible own funds

in TEUR	2024	2025
Shareholders' capital (HGB)	6,616,716	6,926,716
Dividend	-1,085,374	-1,507,464
Differences in values and valuations Solvency II to HGB:	18,009,983	17,586,558
Equalisation reserve	4,001,872	3,259,637
Deferred acquisition costs and other intangible assets	-104,242	-207,900
Land, buildings and equipment	38,645	37,121
Shares / investments in affiliates and participations	5,619,063	5,053,693
Fixed-interest securities and other investments	-856,750	-191,181
Assets and liabilities from reinsurance business	9,255,174	9,684,088
Miscellaneous non-technical assets and liabilities	56,219	-48,901
Deferred taxes on tax differences between Solvency II and HGB	-2,966,616	-2,760,431
Eligible own funds (Solvency II)	**20,574,709**	**20,245,379**

E.1.3.2 Ordinary share capital

Ordinary capital of Hannover Rück stands at TEUR 120,597 at date of balance. The shares have been paid up in full. The share capital is divided into 120,597,134 no-par value registered shares which carry both voting and dividend rights. Every share grants the same right to vote and same dividend entitlement. As at the balance sheet date no treasury shares were held by the company.

During the reporting period, no new shares were issued.

The share capital paid in and the corresponding share premium in the capital reserve form the own funds bearing the highest degree of quality, which can be relied upon to equalise losses in the course of business operations.

E.1.3.3 Share premium account

The share premium in relation to the share capital of Hannover Rück stands at TEUR 880,608 at date of balance.

The capital reserve is a separate item to which premiums, the amount between the value attained at the point in time of issuance and the value recorded in the share capital, are transferred in accordance with national statutory provisions.

E.1.3.4 Reconciliation reserve

The reconciliation reserve pursuant to Solvency II represents an item of basic own funds attributable (in unlimited capacity) to category tier 1. It primarily comprises the excess of assets over liabilities, adjusted by the ordinary capital, the share premium and shareholder dividend payouts.

At the balance sheet date, the reconciliation reserve was TEUR 16,663,606. The reconciliation increased by TEUR 185,482 during the reporting period.

The reconciliation reserve represents reserves (in particular retained earnings) less value adjustments; it does, moreover, harmonise the differences between the accounting valuation pursuant to the HGB and the valuation pursuant to the Directive 2009/138/EC.

E.1.3.5 Subordinated liabilities

Hannover Rück holds four subordinated bonds in its portfolio at the balance sheet date, which fulfil the criteria stipulated under Solvency II pertaining to subordinated liabilities, and which thus can be categorised under basic own funds.

At the balance sheet date, the subordinated liabilities totalled TEUR 2,580,568.

Following subordinated liabilities of an equity nature exist as at reporting date:

On 14 November 2022 Hannover Rück raised a subordinated bond with a nominal value of TEUR 750,000 from capital markets. The bond issued is classified as tier 2.

On 22 March 2021 Hannover Rück raised a subordinated bond with a nominal value of TEUR 750,000 from capital markets. The bond issued is classified as tier 2.

On 8 July 2020 Hannover Rück raised a subordinated bond with a nominal value of TEUR 500,000 from capital markets. The bond issued is classified as tier 2.

On 9 October 2019 Hannover Rück raised a subordinated bond with a nominal value of TEUR 750,000 from capital markets. The bond issued is classified as tier 2.

On the basis of their tiering classes, the value of the subordinated debt can be fully used to cover the Solvency Capital Requirement when applying the limit on eligible own funds in accordance with Article 82 Delegated Regulation 2015/35.

E.1.3.6 An amount equal to the value of net deferred tax assets

Please refer to Section D.3 under item "Deferred tax liabilities R0780" for a detailed description of the origination of deferred tax assets and liabilities.

For the determination of own funds in accordance with Solvency II, offsetting must be performed. Deferred tax assets and deferred tax liabilities are offset if they relate to the same type of tax levied by the same taxation authority (identical tax creditor) and there is a legally enforceable right to offset current tax assets against current tax liabilities. The netting is carried out at the level of individual taxable entities. Net deferred tax assets arise if the deferred tax assets exceed the deferred tax liabilities for each taxable entity.

The recoverability of deferred taxes in the Solvency II balance sheet is assessed at each balance sheet date in a multi-step process. In the first step, deferred tax liabilities reported in the Solvency II balance sheet are used as part of the recognition test for deferred tax assets. Any timing restrictions and the above-mentioned limits on offsetting are taken into account. In the second step, deferred tax assets can only be recognised over and above if it can be demonstrated that sufficient future taxable profit will be available.

To the extent that it is not probable that future taxable profit will be available, corresponding valuation allowances are created.

As at the balance sheet date, no net deferred tax assets exist.

Recognition of net deferred tax assets as basic own funds items is possible as far as the taxable entity can achieve a full offset against taxes payable in the future. The offset can be achieved by conversion into current tax assets or liabilities. Alternatively, offsetting can be achieved through realization as part of the tax assessment.

For the recognised net deferred tax assets, there are corresponding profit expectations in an appropriate amount for each taxable entity. As a consequence, the amount can be recognized in full as a Tier 3 basic own fund item.

The value of net deferred tax assets can be used in full to cover the Solvency Capital Requirement by applying the limit on eligible own funds pursuant to Article 82 Delegated Regulation 2015/35.

E.1.4 Transferability

In the period under consideration, no issues were identified that restrict the transferability of the capital for the covering of the solvency capital requirements.

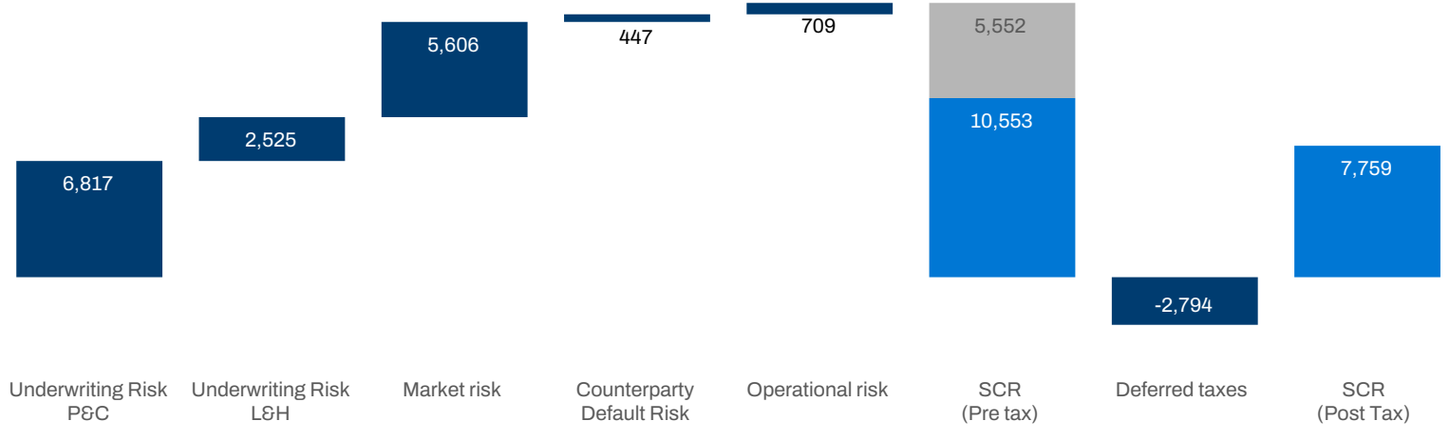
E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Solvency Capital Requirement per Risk Category

This section deals with the Solvency Capital Requirement and its sources. The risk categories of the internal model of Hannover Rück are defined in Section E.4.1.4. Capital requirements per risk category are shown in the following.

Hannover Rück is the legal entity heading Hannover Re Group. It holds a number of participations which are included into management applications in a look-through manner, i.e. based on the underlying risk and return profile. Look-through means that the underlying risks are analysed instead of purely looking at the change of the value of the participations. In particular, participations are not analysed as strategic equity investments – e.g. under the Solvency II standard formula.

Solvency Capital Requirement – per risk category
in million EUR



Solvency Capital Requirement (SCR)

in TEUR	2024	2025
Underwriting risk - Property & Casualty	6,652,539	6,817,043
Underwriting risk - Life & Health	2,617,270	2,525,195
Market risk	5,808,860	5,605,775
Counterparty default risk	403,624	447,290
Operational risk	696,180	709,486
Diversification	-5,510,468	-5,552,115
SCR (pre-tax)	**10,668,005**	**10,552,674**
Deferred tax	2,901,131	2,793,549
SCR (post-tax)	**7,766,873**	**7,759,125**

The Solvency Capital Requirement has been calculated based on the approved internal model. Hannover Rück applies the static volatility adjustment according to Section 82 VAG. This is intended to mitigate the effect of temporary value fluctuations due to credit spread movements on the bond market. In order to capture this effect adequately for the calculation of the Solvency Capital Requirement Hannover Rück uses the dynamic volatility in its internal model.

The model is subject to strict internal quality checks and extensive validation. Moreover, the continuous model supervision has not revealed any material limitations in the determination of capital requirements so far. In particular, there are no capital add-ons imposed by the regulator.

Overall, the Solvency Capital Requirements of Hannover Rück remain almost unchanged over the course of the year. The increasing effects arise as a consequence of business growth and new investments in listed equities, which has led to an increase in the underwriting risk property and casualty reinsurance and market risk.In contrast, the exchange rate effects, reduced deferred tax impact and model changes lead to a decline in the Solvency Capital Requirements.

Underwriting risks in property and casualty reinsurance have increased mainly as a result of higher premiums and reserves. The higher volumes

result from business growth including higher capacities for natural catastrophe risks, claims development and the associated higher reserves. This increase is mitigated by the appreciated EUR against foreign currencies.

The underwriting risks in Life & Health reinsurance are decreasing mainly due to the appreciated EUR against foreign currencies and higher GBP long-term interest rates

The market risk mainly decreases due to the appreciation of the EUR against foreign currencies. This is partially offset by new investments in listed equity, fixed income and real estate.

Counterparty default risk increased mainly due to higher short-term obligations to cedants and a higher volume of uncollateralized retrocession.

The changes in the operational risk result mainly from updated expert assessments regarding the impact of individual scenarios. The appreciated EUR against foreign currencies mitigated the impact of these assessments.

The increase in the diversification effect can be attributed to changes in the composition of the risks. The loss-mitigating effect from taxes decreases in absolute terms, but remains stable in relative terms.

The build-up of deferred tax assets is restricted to the amount of initial net deferred tax liabilities. The net deferred tax liabilities basically stem from temporary valuation differences compared to the tax balance sheet.

The following table displays the Solvency Capital Requirement and the ratio of eligible own funds to SCR taking into account tiering restrictions.

Ratio of eligible own funds to Solvency Capital Requirement

in TEUR	2024	2025
Eligible own funds	20,574,709	20,245,379
SCR	7,766,873	7,759,125
Ratio of eligible own funds to SCR	**265%**	**261%**

E.2.2 Minimum Capital Requirement

The following table displays the Minimum Capital Requirement and the ratio of eligible own funds to MCR taking into account tiering restrictions.

Ratio of eligible own funds to Minimum Capital Requirement

in TEUR	2024	2025
Eligible own funds	18,684,523	18,363,132
MCR	3,495,093	3,491,606
Ratio of eligible own funds to MCR	**535%**	**526%**

The MCR decreases due to the lower SCR (reasons are given above). In the case of Hannover Rück, the MCR is capped at the upper limit of 45% of SCR. Both indicators develop uniformly at this limit.

E.3 Differences between the standard formula and internal model used

E.3.1 The internal model

Hannover Rück received approval from the regulatory authorities to calculate its solvency requirements using a full internal capital model. This section provides information regarding the internal capital model.

E.3.1.1 Introduction

The quantitative risk management of Hannover Rück provides a standardised framework for the assessment and management of all risks the undertaking is exposed to and of our capital position. In this context, the internal model is our key instrument. It is a stochastic enterprise model, covering all subsidiaries and business areas of Hannover Rück.

The central key figure in risk and company management is the economic equity, which is evaluated according to market-consistent valuation principles and forms the basis for the calculation of the Solvency II capital.

The internal model of Hannover Rück reflects all risks influencing the development of the economic capital. These risks are classified into underwriting, market, counterparty default and operational risks. For each of these risk categories, we have determined a series of risk factors for which we define a probability distribution. Risk factors are, as for instance, economic indicators, like interest rates, exchange rates and inflation rates, as well as insurance-specific indicators such as the mortality rates in a specific age group of our insurance portfolio in a certain country, or the number of natural disasters in a certain region and the insured loss per disaster.

We use publicly accessible and historical data to specify the probability distributions of risk factors. In addition, we use industry specific and internal (re-)insurance data of Hannover Rück. The judgement of internal and external experts supplements this process. The suitability of probability distributions is subject to regular review by our specialist departments and verified in conjunction with the regular company-wide application of the capital model and allocation of costs of capital. Hannover Rück calculates the SCR that reflects the changes in economic value over a period of one year.

The internal capital model uses state-of-the-art techniques of insurance and financial mathematics. In case of underwriting risks, we draw on a comprehensive history of internal data to estimate probability distributions, e.g., for reserving risk. In the context of natural catastrophe risks, we use external models that we adjusted in the course of detailed internal reviews to represent our risk profile adequately. For life and health reinsurance we determine long-term cash flows for different scenarios. The determination of scenarios and probability distributions is based on internal data for all mentioned risks. The internal data base is enriched with parameters set by experts. These parameters are of importance in particular in the area of extreme events that have not been observed to date.

The aggregation of single risks takes into account dependencies between risk factors. Dependencies arise, e.g., during financial crises, which affect several market segments at the same time. Furthermore, market phenomena such as pricing cycles can cause dependencies over time. We generally assume that extreme events do not all occur simultaneously. The absence of complete dependency is denoted as diversification. Hannover Rück's business model is based inter alia on establishing a preferably well-balanced portfolio such that a significant diversification effect is achieved and the capital can be used efficiently. Diversification effects exist between reinsurance contracts, divisions, business segments and risks. Given the capital needs of our business segments and divisions, and on the basis of their contribution to the diversification effect, we determine the costs of capital that have to be achieved per single business unit.

E.3.1.2 Basic principles

A key purpose of the capital model of Hannover Rück relates to the calculation of the required and available capital for Hannover Rück. The principles outlined below are the manifestation of Hannover Rück's risk capacity and how it is consistently measured within a quantitative framework.

- Target variable: Our main target variable for the calculation of risk based capital is the deviation of the net asset value (or own funds) from its expected value.
- Time horizon: For calculating the Solvency Capital Requirement a one year time horizon is used.
- Risk measure: We use two statistics to measure and allocate risk capital, namely the Value-at-Risk (VaR) and the Expected Shortfall (ES).
- Ongoing business operations: We operate on the premise of existing business and on a going-concern assumption.
- New business assumptions: We consider one year of new business for all lines of business.
- Stochastic simulation: The capital model of Hannover Rück is based on stochastic simulations, i.e. we generate discrete approximations for the probability distribution of our target variables.
- Consolidation method: The capital model of Hannover Rück comprises all business units by using the consolidation method. Deduction and aggregation as defined under Solvency II as an alternative method is not applied.

The capital model uses a stochastic simulation model, which combines random variables using the company-specific dependency structure, for the purposes of implementing these principles.

E.3.1.3 Main applications

Hannover Rück's internal capital model is a key component of the risk management system. It serves to analyse its overall risk position, to quantify risks and to determine the economic capital required to assume those risks.

The results of Hannover Rück's internal model provide support to senior management in their decision-making. Main applications are:

- Analysis of the financial position
- Assessment of the overall Solvency Capital Requirement and monitoring of key risk metrics
- Capital consumption by each risk category
- Capital allocation for pricing and performance measurement
- Risk budgeting, limit allocation and monitoring
- Strategic asset allocation
- Assessment of risk mitigation strategies
- Assessment of new business

E.3.1.4 Scope of the model

Hannover Rück's risk landscape comprises the main risk categories underwriting risks (life and health as well as property and casualty), market risks, counterparty default risks, operational risks and other risks (see Section "C. Risk Profile").

The risk categories addressed by the internal model of Hannover Rück using a quantitative model are: underwriting risk life and health, underwriting risk property and casualty, market risk, counterparty default risk and operational risk. These risks and their interactions are accounted for in the presentation of target variables through the application of stochastic simulation models. Concentration risk is taken into account in the calculations of the Solvency Capital Requirement for each risk category.

Hannover Rück is the legal entity heading Hannover Re Group. It holds a number of participations, which are included into management applications in a look-through manner, i.e. based on the underlying risk and return profile. Regarding the structure of Hannover Re Group see Section "A.1.4 Group structure".

E.3.1.5 Type and suitability of data

Hannover Rück has a comprehensive internal control system in place to ensure quality and timeliness of data. The specific data used in the internal model is documented in the data requirements for the different modules and interfaces. All data used in the internal model is subject to the data standards for the internal model. This set-up is appropriate to provide for timely data that is free of material errors.

Hannover Rück utilises the relevant historical company data, in order to calibrate the model – in particular for the underwriting risk. Generally speaking, company data relating to insurance performance within property and casualty is available for more than 30 years. This is deemed sufficiently historical information. However, due to the particular characteristics of early underwriting years, e.g. low premium volume, changing business segmentation or non-representative market segments, only portions of this data are used as part of the internal model calibration.

Internal company data, above all for the model validation, is used for underwriting risk pertaining to life and health insurance. This is due to the fact that only a limited number of significant (and thus rare) deviations are available that are suitable for the calibration of extreme events.

Long-term market data is used for the calibration of the market and counterparty risk model.

The operational risk model is based on information retrieved from a self-assessment process with experts from all relevant units and departments. Wherever possible, available data and additional information are used. Given the limited history of operational risk events as well as the low frequency and high severity character of some operational risks, Hannover Rück is convinced that input parameters for the SCR calculation cannot be solely derived by quantitative methods.

In general, Hannover Rück relies on data that is used in other business applications, too, as often as appropriate to ensure consistent use of information within the company. Examples are the technical provisions which are calculated as part of the Solvency II balance sheet process and data items used in the accounting process under IFRS, thereby providing an anchor to other established reporting processes. Thus, many data items are subject to multiple quality checks and internal as well as external review.

E.3.2 Calculation techniques for the purposes of integrating results into the standard formula

Hannover Re uses a full internal model. As a consequence, there are no results of standard formula modules which have to be integrated in the internal model.

E.3.3 Comparison between the internal model and the standard formula

The standard formula is designed to fit a typical European (or EEA) primary insurer. As a consequence, mainly European data has been used to calibrate the standard formula.

There are many aspects which make Hannover Rück quite different from a typical European primary insurer, in particular, its access to global diversification across regions, markets, cedants and all lines of business. The difference in diversification is the driving force of differences between the standard formula and the internal model for life, health, property and casualty underwriting risk. It also has some influence on counterparty and market risk.

A further difference is caused by the fact that Hannover Rück has received approval for a dynamic modelling of the volatility adjustment from BaFin. By this, the effect of the volatility adjustment is captured in the calculation of the Solvency Capital Requirement more adequately compared to the standard formula.

The standard formula offers a detailed module for the quantification of EU natural catastrophe risk. Due to its focus it does offer a very broad, premium-based approximation for non-EU and non-proportional natural catastrophe risk, only. Hannover Rück assumes more than 70% of its natural catastrophe risk outside the EU and thus has a detailed internal model for such risks.

The standard formula is designed for a single primary insurer and thus has no module to recognise diversification between different primary insurers. The latter is an important feature of Hannover Rück's internal model and founded on Hannover Rück's internal data analysis.

The standard formula allows for appropriate recognition of some but not all reinsurance structures. For example multi-line covers are not fully effective. The internal model is able to recognise all retrocession structures currently implemented by Hannover Rück.

In contrast to the standard formula, Hannover Re's internal model has capital requirements for all government bonds.

Technically, the internal model is a stochastic approach while the standard formula is a factor-based (deterministic) approach. The concept for underlying risk factors is in many areas similar, e.g. for market and counterparty risk but in general more detailed in Hannover Rück's internal model. Hannover Rück's internal model allows for bottom-up, non-linear dependency structures within and between market, underwriting, operational and counterparty risk..

E.4 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

Both solvency and minimum capital requirements – with and without application of the volatility adjustment - were complied with at all times during the period under consideration.

E.5 Any other information

There is no other information that has a significant influence on capital management.

Abbreviations and glossary

Advanced Solutions: Structured and tailor-made reinsurance solutions to assist our clients with their capital management, provide solvency relief or protection against strain of frequent losses.

AF: Actuarial function

BaFin: Bundesanstalt für Finanzdienstleistungsaufsicht, Federal Financial Supervisory Authority

BEL: Best Estimate Liability

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CLO: Collateralised Loan Obligation

CMS: Compliance Management System

DVO: Delegierte Verordnung, Delegated Act

EBIT: Earnings before interest and taxes

ECB: European Central Bank

EEA: European Economic Area

EIOPA: European Insurance and Occupational Pensions Authority

EPIFP: Expected Profit included in Future Premiums

ESG: Environment Social Governance

E+S Rück: E+S Rückversicherung AG

FWH: Funds Withheld

GA: Group Audit, internal audit of the Hannover Re

GHR: Global Human Resources division of the Hannover Re

GLS: Group Legal Services, legal division of the Hannover Re

Hannover Rück: Hannover Rück SE

HDI: HDI Haftpflichtverband der Deutschen Industrie V.a.G.

HGB: Handelsgesetzbuch, German Commercial Code

IAS: International Accounting Standards

IBNR: Incurred But Not Reported

ICS: Internal Control System

IFRS: International Financial Reporting Standards

MCR: Minimum Capital Requirement

NGO: Non-Governmental Organisation

ORSA: Own Risk and Solvency Assessment

OTC: Over the Counter

P&C: Property and Casualty

QRT: Quantitative Reporting Template

RechVersV: Verordnung über die Rechnungslegung von Versicherungsunternehmen (Versicherungsunternehmens-Rechnungslegungsverordnung), Insurance accounting regulation

Risk appetite: Indicates how much risk a company is willing to take to achieve the company's goals. The risk appetite is an important part of the risk strategy.

RM: Risk margin

RMF: Risk Management Function

SCR: Solvency Capital Requirement

SII: Solvency II

Talanx: Talanx AG

TP: Technical provisions

VAG: Gesetz über die Beaufsichtigung der Versicherungsunternehmen (Versicherungsaufsichtsgesetz), Insurance Supervision Act

VaR: Value-at-Risk

WHO: World Health Organisation

Quantitative Reporting Templates

All values are shown in TEUR if not otherwise stated.

Values below TEUR 0.5 are displayed as “0”. Empty cells represent the fact that Hannover Rück has no value to state.

Additional disclosure according to Article 192 (2) of the Delegated Regulation 2015/35

Hannover Rück has collateral arrangements with a total value well below 60% of total assets. The threshold of 60% is defined in Article 192 (2) of the Delegated Regulation 2015/35. This information is relevant to calculate the counterparty default risk with respect to Hannover Rück in the Solvency II standard formula.

S.02.01.02 Balance Sheet

S.02.01.02: Balance sheet		Solvency II
Assets		**C0010**
Intangible assets	R0030	
Deferred tax assets	R0040	
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	77,645
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	52,029,124
Property (other than for own use)	R0080	6,930
Holdings in related undertakings, including participations	R0090	16,331,218
Equities	R0100	171,840
Equities - listed	R0110	171,402
Equities - unlisted	R0120	438
Bonds	R0130	32,460,424
Government Bonds	R0140	17,467,392
Corporate Bonds	R0150	14,098,751
Structured notes	R0160	
Collateralised securities	R0170	894,281
Collective Investments Undertakings	R0180	2,110,440
Derivatives	R0190	118,766
Deposits other than cash equivalents	R0200	829,506
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	278,990
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	626
Other loans and mortgages	R0260	278,364
Reinsurance recoverables from:	R0270	8,443,728
Non-life and health similar to non-life	R0280	8,830,156
Non-life excluding health	R0290	8,232,036
Health similar to non-life	R0300	598,120
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-354,963
Health similar to life	R0320	223,284
Life excluding health and index-linked and unit-linked	R0330	-578,247
Life index-linked and unit-linked	R0340	-31,466
Deposits to cedants	R0350	9,327,174
Insurance and intermediaries receivables	R0360	6,913,917
Reinsurance receivables	R0370	378,263
Receivables (trade, not insurance)	R0380	1,311,607
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	410,838
Any other assets, not elsewhere shown	R0420	100,887
Total assets	**R0500**	**79,272,172**

S.02.01.02: Balance sheet		Solvency II
Liabilities		**C0010**
Technical provisions – non-life	R0510	41,314,569
Technical provisions – non-life (excluding health)	R0520	38,893,881
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	38,375,336
Risk margin	R0550	518,545
Technical provisions - health (similar to non-life)	R0560	2,420,688
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	2,359,899
Risk margin	R0590	60,789
Technical provisions - life (excluding index-linked and unit-linked)	R0600	3,861,513
Technical provisions - health (similar to life)	R0610	2,610,621
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	2,181,527
Risk margin	R0640	429,094
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	1,250,892
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	796,254
Risk margin	R0680	454,638
Technical provisions – index-linked and unit-linked	R0690	723,883
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	720,656
Risk margin	R0720	3,227
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	171,043
Pension benefit obligations	R0760	104,939
Deposits from reinsurers	R0770	4,208,234
Deferred tax liabilities	R0780	2,760,431
Derivatives	R0790	87,803
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	945,155
Insurance & intermediaries payables	R0820	1,192,313
Reinsurance payables	R0830	1,498,761
Payables (trade, not insurance)	R0840	455,870
Subordinated liabilities	R0850	2,580,568
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	2,580,568
Any other liabilities, not elsewhere shown	R0880	194,816
Total liabilities	**R0900**	**60,099,897**
Excess of assets over liabilities	**R1000**	**19,172,275**

S.04.05.21: Non-life insurance and reinsurance obligations (“Countries”)

Country	R0010	Home Country	Top 5 countries: Non-life insurance and reinsurance obligations				
			AU	CN	GB	IE	US
		C0010	C0020	C0039	C0040	C0050	C0060
Premiums written (gross)							
Gross Written Premium (direct)	R0020						
Gross Written Premium (proportional reinsurance)	R0021	274,800	642,268	939,477	1,211,893	1,116,268	6,612,190
Gross Written Premium (non-proportional reinsurance)	R0022	58,804	189,439	56,970	543,074	76,891	3,761,521
Premiums earned (gross)							
Gross Earned Premium (direct)	R0030						
Gross Earned Premium (proportional reinsurance)	R0031	297,816	640,217	929,439	1,278,146	1,054,003	6,352,116
Gross Earned Premium (non-proportional reinsurance)	R0032	40,334	152,606	55,369	545,346	76,003	3,768,503
Claims incurred (gross)							
Claims incurred (direct)	R0040						
Claims incurred (proportional reinsurance)	R0041	317,593	511,144	740,905	1,444,795	761,052	5,796,184
Claims incurred (non-proportional reinsurance)	R0042	8,011	105,355	-53,422	219,697	1,054	1,607,634
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	R0050						
Gross Expenses Incurred (proportional reinsurance)	R0051	91,959	169,263	327,152	369,674	334,785	2,192,641
Gross Expenses Incurred (non-proportional reinsurance)	R0052	19,439	20,301	5,614	71,689	57,503	625,540

Country	R1010	Home Country	Top 5 countries: Life insurance and reinsurance obligations				
			AU	CN	CO	FR	GB
		C0030	C0040	C0030	C0040	C0050	C0060
Gross Written Premium	R1020	166,705	745,461	761,813	251,863	990,569	1,607,607
Gross Earned Premium	R1030	154,638	745,461	752,853	240,844	990,623	1,607,607
Claims incurred	R1040	189,268	679,653	595,981	198,701	736,056	1,601,836
Gross Expenses Incurred	R1050	63,189	-11,234	71,529	46,891	242,794	33,651

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

S.05.01.02: Cover, Page 1

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compen-sation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Gross - Direct Business	R0110									
Gross - Proportional reinsurance accepted	R0120	182,076	192,208	171,127	2,001,063	2,250,292	486,795	7,528,047	1,653,017	1,084,615
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140	64,663	51,344	193,018	822,527	1,247,788	253,150	4,430,452	1,219,960	809,500
Net	R0200	117,413	140,864	-21,891	1,178,536	1,002,504	233,644	3,097,595	433,057	275,115
Premiums earned										
Gross - Direct Business	R0210									
Gross - Proportional reinsurance accepted	R0220	168,940	199,540	157,567	1,916,165	2,204,695	502,149	7,347,729	1,644,333	1,092,605
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	56,144	55,013	191,481	794,695	1,216,670	252,821	4,343,354	1,218,433	795,182
Net	R0300	112,797	144,527	-33,915	1,121,470	988,026	249,327	3,004,375	425,900	297,423
Claims incurred										
Gross - Direct Business	R0310									
Gross - Proportional reinsurance accepted	R0320	130,287	194,852	140,225	2,066,612	1,529,026	676,774	5,536,501	3,382,256	668,784
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	35,725	34,617	-79,423	596,340	788,617	324,791	2,174,249	1,523,560	429,778
Net	R0400	94,563	160,236	219,648	1,470,272	740,409	351,983	3,362,252	1,858,695	239,007
Expenses incurred	**R0550**	**32,839**	**51,321**	**-8,619**	**334,962**	**302,019**	**96,586**	**1,236,572**	**376,033**	**144,040**
Balance - other technical expenses/income	**R1210**									
Total technical expenses	**R1300**									

S.05.01.02: Cover, Page 2		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of Business for: accepted non-proportional reinsurance				Total
		Legal expenses insurance	Assistance	Miscella-neous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	R0110								
Gross - Proportional reinsurance accepted	R0120	41,309	67,043	192,155					15,849,747
Gross - Non-proportional reinsurance accepted	R0130				237,880	1,950,336	392,944	4,450,669	7,031,830
Reinsurers' share	R0140	5,396	9,116	32,811	2,847	10,033	53,131	246,352	9,452,089
Net	R0200	35,913	57,927	159,345	235,033	1,940,304	339,813	4,204,317	13,429,488
Premiums earned									
Gross - Direct Business	R0210								
Gross - Proportional reinsurance accepted	R0220	43,509	72,610	190,237					15,540,079
Gross - Non-proportional reinsurance accepted	R0230				251,936	1,948,034	387,276	4,421,977	7,009,224
Reinsurers' share	R0240	5,775	9,917	30,640	2,729	9,761	52,793	241,756	9,277,166
Net	R0300	37,734	62,693	159,596	249,207	1,938,273	334,483	4,180,222	13,272,137
Claims incurred									
Gross - Direct Business	R0310								
Gross - Proportional reinsurance accepted	R0320	40,559	64,482	165,062					14,595,420
Gross - Non-proportional reinsurance accepted	R0330				-276,736	496,539	542,072	1,268,542	2,030,417
Reinsurers' share	R0340	5,221	8,559	18,137	777	-1,671	158,600	20,713	6,038,590
Net	R0400	35,338	55,923	146,925	-277,513	498,210	383,472	1,247,828	10,587,248
Expenses incurred	R0550	**14,620**	**7,261**	**63,880**	**58,959**	**474,001**	**94,541**	**686,987**	**3,966,003**
Other expenses	R1210								
Total expenses	R1300								**3,966,003**

S.05.01.02: Cover, Page 3		Line of Business for: life insurance obligations			Life reinsurance obligations					Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410							2,309,081	4,485,365	**6,794,446**
Reinsurers' share	R1420							272,223	957,936	**1,230,159**
Net	R1500							2,036,858	3,527,429	**5,564,287**
Premiums earned										
Gross	R1510							2,275,413	4,499,360	**6,774,773**
Reinsurers' share	R1520							300,336	966,126	**1,266,462**
Net	R1600							1,975,077	3,533,234	**5,508,311**
Claims incurred										
Gross	R1610							1,715,332	3,714,026	**5,429,358**
Reinsurers' share	R1620							221,368	771,816	**993,184**
Net	R1700							1,493,964	2,942,210	**4,436,174**
Expenses incurred	**R1900**							**389,134**	**552,934**	**942,068**
Other expenses	**R2500**									
Total expenses	**R2600**									**942,068**
Total amount of surrenders	**R2700**									

S.12.01.02: Life and Health SLT Technical Provisions ("TP Life")

S.12.01.02: TP Life, Page 1

		Index-linked and unit-linked insurance				Other life insurance	
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees
		C0020	C0030	C0040	C0050	C0060	C0070	C0080
Technical provisions calculated as a whole	**R0010**							
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0020**							
Technical provisions calculated as a sum of BE and RM								
Best Estimate								
Gross Best Estimate	**R0030**							
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080							
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090							
Risk Margin	**R0100**							
Technical provisions - total	**R0200**							

S.12.01.02: TP Life, Seite 2		Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)	Health insurance (direct business)					
						Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	**R0010**									
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0020**									
Technical provisions calculated as a sum of BE and RM										
Best Estimate										
Gross Best Estimate	**R0030**		**1,516,910**	**1,516,910**					**2,181,527**	**2,181,527**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080		-609,712	-609,712					223,284	223,284
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		2,126,623	2,126,623					1,958,243	1,958,243
Risk Margin	**R0100**		**457,865**	**457,865**					**429,094**	**429,094**
Technical provisions - total	**R0200**		**1,974,775**	**1,974,775**					**2,610,621**	**2,610,621**

S.17.01.02: Non-Life Technical Provisions

S.17.01.02: TP Non-Life, Page 1

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compen-sation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions calculated as a whole	**R0010**									
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050									
Technical provisions calculated as a sum of BE and RM										
Best estimate										
Premium provisions										
Gross	R0060	36,120	36,517	26,158	268,527	311,347	112,762	1,512,674	373,526	181,790
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	16,112	15,513	-3,887	-355,856	79,149	24,285	-477,909	-153,838	-120,905
Net Best Estimate of Premium Provisions	R0150	20,009	21,004	30,045	624,382	232,198	88,476	1,990,583	527,365	302,695
Claims provisions										
Gross	R0160	436,400	426,635	186,511	1,906,878	1,401,260	1,338,514	8,207,646	4,510,231	1,944,399
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	213,946	116,421	237,457	960,391	868,207	750,224	3,670,419	1,816,852	733,067
Net Best Estimate of Claims Provisions	R0250	222,455	310,213	-50,946	946,488	533,053	588,290	4,537,227	2,693,380	1,211,332
Total Best estimate - gross	**R0260**	**472,520**	**463,152**	**212,669**	**2,175,405**	**1,712,606**	**1,451,275**	**9,720,320**	**4,883,757**	**2,126,188**
Total Best estimate - net	**R0270**	**242,463**	**331,217**	**-20,900**	**1,570,870**	**765,251**	**676,766**	**6,527,810**	**3,220,744**	**1,514,027**
Risk margin	**R0280**	**2,196**	**13,396**	**1,719**	**21,905**	**16,195**	**13,359**	**78,565**	**46,798**	**29,128**
Technical provisions - total										
Technical provisions - total	R0320	474,717	476,547	214,389	2,197,310	1,728,802	1,464,634	9,798,885	4,930,555	2,155,316
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	230,057	131,934	233,570	604,535	947,356	774,509	3,192,510	1,663,013	612,162
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	244,660	344,613	-19,181	1,592,775	781,446	690,125	6,606,374	3,267,542	1,543,155

S.17.01.02: TP Non-Life, Page 2

		Direct business and accepted proportional reinsurance			Accepted non-proportional reinsurance				
		Legal expenses insurance	Assistance	Miscella-neous financial loss	Non-propor-tional health reinsu-rance	Non-propor-tional casualty reinsu-rance	Non-pro-portional marine, aviation and	Non-propor-tional property reinsu-rance	Total Non-Life obligation
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	**R0010**								
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0050								
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross	R0060	14,606	16,509	24,319	50,601	605,643	193,780	450,785	**4,215,664**
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-2,198	1,082	-1,483	-26	-2,556	-15,789	-67,907	**-1,066,214**
Net Best Estimate of Premium Provisions	R0150	16,805	15,427	25,803	50,627	608,199	209,570	518,692	**5,281,878**
Claims provisions									
Gross	R0160	94,223	42,330	277,286	1,160,957	8,557,188	1,292,159	4,736,955	**36,519,571**
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	17,449	6,521	49,629	2,585	15,437	264,808	172,958	**9,896,370**
Net Best Estimate of Claims Provisions	R0250	76,774	35,810	227,657	1,158,372	8,541,750	1,027,351	4,563,996	**26,623,201**
Total Best Estimate - gross	**R0260**	108,830	58,839	301,605	1,211,558	9,162,831	1,485,939	5,187,740	**40,735,235**
Total Best Estimate - net	**R0270**	93,579	51,236	253,459	1,208,999	9,149,950	1,236,920	5,082,688	**31,905,079**
Risk margin	**R0280**	1,526	292	4,486	43,478	213,835	13,932	78,523	**579,333**
Technical provisions - total									
Technical provisions - total	R0320	110,356	59,132	306,091	1,255,035	9,376,666	1,499,871	5,266,263	**41,314,569**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	15,251	7,603	48,146	2,559	12,882	249,019	105,052	**8,830,156**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	95,106	51,529	257,946	1,252,476	9,363,785	1,250,852	5,161,211	**32,484,412**

S.19.01.21: Non-life insurance claims

Accident year / Underwriting year	Z0020	1/2

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

S.19.01.21: page 1		Development year										
	Year	0	1	2	3	4	5	6	7	8	9	10&+
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100											27,506,003
N-9	R0160	1,095,088	1,215,395	669,729	303,607	240,597	159,195	135,960	82,744	124,011	74,161	
N-8	R0170	1,270,334	1,805,002	665,268	542,875	331,290	243,343	187,252	178,299	127,789		
N-7	R0180	1,568,743	2,149,855	1,063,205	426,764	373,039	254,658	194,920	168,288			
N-6	R0190	2,095,505	2,584,570	934,584	591,332	590,826	478,083	317,805				
N-5	R0200	2,143,397	2,454,823	1,029,878	706,277	630,288	462,789					
N-4	R0210	2,490,019	3,100,150	1,471,786	860,090	678,000						
N-3	R0220	3,341,415	3,991,385	2,371,904	1,121,130							
N-2	R0230	3,178,685	3,274,396	1,908,207								
N-1	R0240	3,165,920	2,763,576									
N	R0250	3,642,498										

S.19.01.21: page 1		In current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100	27,506,003	27,506,003
N-9	R0160	74,161	4,100,488
N-8	R0170	127,789	5,351,452
N-7	R0180	168,288	6,199,471
N-6	R0190	317,805	7,592,706
N-5	R0200	462,789	7,427,453
N-4	R0210	678,000	8,600,046
N-3	R0220	1,121,130	10,825,833
N-2	R0230	1,908,207	8,361,288
N-1	R0240	2,763,576	5,929,496
N	R0250	3,642,498	3,642,498
Total	**R0260**	**38,770,247**	**95,536,733**

Gross undiscounted Best Estimate Claims Provision
(absolute amount)

S.19.01.21: page 2		Development year										
	Year	0	1	2	3	4	5	6	7	8	9	10&+
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											48,184,775
N-9	R0160	2,353,786	2,942,467	2,096,098	1,917,010	1,582,286	1,321,265	1,114,939	927,537	779,070	769,457	
N-8	R0170	2,203,226	3,090,094	2,878,135	2,311,094	1,835,474	1,573,225	1,257,915	1,047,934	947,883		
N-7	R0180	2,979,621	4,151,612	3,339,034	2,589,501	2,171,319	1,818,468	1,639,405	1,450,223			
N-6	R0190	3,804,408	5,056,186	3,909,255	3,058,764	2,427,890	2,036,912	1,785,265				
N-5	R0200	4,436,493	5,793,976	4,607,846	3,488,946	2,836,363	2,477,279					
N-4	R0210	4,139,555	7,650,382	6,190,478	4,984,252	4,832,701						
N-3	R0220	6,495,594	7,180,819	5,660,767	4,626,693							
N-2	R0230	6,039,676	7,040,318	6,067,792								
N-1	R0240	6,863,730	7,808,572									
N	R0250	6,934,132										

S.19.01.21: page 2		Year end (discounted data)
		C0360
Prior	R0100	3,176,870
N-9	R0160	640,524
N-8	R0170	797,784
N-7	R0180	1,239,168
N-6	R0190	1,535,574
N-5	R0200	2,144,986
N-4	R0210	4,309,141
N-3	R0220	4,043,245
N-2	R0230	5,342,093
N-1	R0240	7,005,594
N	R0250	6,284,592
Total	**R0260**	**36,519,571**

S.22.01.21: Impact of long term guarantees measures and transitionals

S.22.01.21: Impact of long term guarantees measures and transitionals		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	45,899,965			371,201	
Basic own funds	R0020	20,245,379			-284,432	
Eligible own funds to meet Solvency Capital Requirement	R0050	20,245,379			-284,432	
Solvency Capital Requirement	**R0090**	**7,759,125**			**332,781**	
Eligible own funds to meet Minimum Capital Requirement	R0100	18,363,132			-254,481	
Minimum Capital Requirement	**R0110**	**3,491,606**			**149,751**	

S.23.01.01: Own funds

S.23.01.01: Own funds, page 1		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	120,597	120,597			
Share premium account related to ordinary share capital	R0030	880,608	880,608			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	16,663,606	16,663,606			
Subordinated liabilities	R0140	2,580,568			2,580,568	
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	**R0290**	**20,245,379**	**17,664,811**		**2,580,568**	

S.23.01.01: Own funds, page 2		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	**R0400**					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	20,245,379	17,664,811		2,580,568	
Total available own funds to meet the MCR	R0510	20,245,379	17,664,811		2,580,568	
Total eligible own funds to meet the SCR	R0540	20,245,379	17,664,811		2,580,568	
Total eligible own funds to meet the MCR	R0550	18,363,132	17,664,811		698,321	
SCR	**R0580**	**7,759,125**				
MCR	**R0600**	**3,491,606**				
Ratio of Eligible own funds to SCR	**R0620**	**2.6092**				
Ratio of Eligible own funds to MCR	**R0640**	**5.2592**				

S.23.01.01: Own funds, page 3 / Reconciliation reserve		
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	19,172,275
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	1,507,464
Other basic own fund items	R0730	1,001,205
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	**R0760**	**16,663,606**
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	3,213,292
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)	**R0790**	**3,213,292**

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

Solvency Capital Requirement information		Solvency Capital Requirement	Amount modelled	USP	Simplifications
		C0010	C0070	C0090	C0120
Risk type					
Total diversification	R0020	-9,142,802	-9,142,802		
Total diversified risk before tax	R0030	10,552,674	10,552,674		
Total diversified risk after tax	R0040	7,759,125	7,759,125		
Total market & credit risk	R0070	11,102,471	11,102,471		
Market & Credit risk - diversified	R0080	5,605,775	5,605,775		
Credit event risk not covered in market & credit risk	R0190	563,685	563,685		
Credit event risk not covered in market & credit risk - diversified	R0200	447,290	447,290		
Total Business risk	R0270				
Total Business risk - diversified	R0280				
Total Net Non-life underwriting risk	R0310	12,324,502	12,324,502		
Total Net Non-life underwriting risk - diversified	R0320	6,817,043	6,817,043		
Total Life & Health underwriting risk	R0400	6,740,699	6,740,699		
Total Life & Health underwriting risk - diversified	R0410	2,525,195	2,525,195		
Total Operational risk	R0480	709,486	709,486		
Total Operational risk - diversified	R0490	709,486	709,486		
Other risk	R0500				

Calculation of Solvency Capital Requirement		C0100
Total undiversified components	R0110	16,104,790
Diversification	R0060	-5,552,116
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement, excluding capital add-ons	**R0200**	**7,759,125**
Capital add-ons already set	R0210	
of which, Capital add-ons already set - Article 37 (1) Type a	R0211	
of which, Capital add-ons already set - Article 37 (1) Type b	R0212	
of which, Capital add-ons already set - Article 37 (1) Type c	R0213	
of which, Capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement	**R0220**	**7,759,125**
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	-1,004,683
Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	-2,793,549
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Method used to calculate the adjustment due to RFF nSCR aggregation	R0450	4
Net future discretionary benefits	R0460	

Approach to tax rate		Yes/No
		C0109
Approach based on average tax rate	R0590	

Calculation of loss absorbing capacity of deferred taxes (LAC DT)		LAC DT
		C0130
Amount/estimate of LAC DT	R0640	-2,793,549
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	R0650	-2,770,165
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	R0660	
Amount/estimate of LAC DT justified by carry back, current year	R0670	-23,384
Amount/estimate of LAC DT justified by carry back, future years	R0680	
Amount/estimate of Maximum LAC DT	R0690	-3,118,930

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

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	6,875,227

S.28.01.01: MCR, page 1		Net (of reinsurance / SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	242,463	159,228
Income protection insurance and proportional reinsurance	R0030	331,217	159,717
Workers' compensation insurance and proportional reinsurance	R0040		145,070
Motor vehicle liability insurance and proportional reinsurance	R0050	1,570,870	1,688,806
Other motor insurance and proportional reinsurance	R0060	765,251	1,851,109
Marine, aviation and transport insurance and proportional reinsurance	R0070	676,766	392,075
Fire and other damage to property insurance and proportional reinsurance	R0080	6,528,172	6,220,124
General liability insurance and proportional reinsurance	R0090	3,220,744	1,298,684
Credit and suretyship insurance and proportional reinsurance	R0100	1,514,027	824,770
Legal expenses insurance and proportional reinsurance	R0110	93,579	38,328
Assistance and proportional reinsurance	R0120	51,236	65,732
Miscellaneous financial loss insurance and proportional reinsurance	R0130	253,459	136,779
Non-proportional health reinsurance	R0140	1,208,999	224,839
Non-proportional casualty reinsurance	R0150	9,149,950	1,724,945
Non-proportional marine, aviation and transport reinsurance	R0160	1,236,920	342,772
Non-proportional property reinsurance	R0170	5,082,688	4,235,362

Linear formula component for non-life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	1,576,525

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

S.28.01.01: MCR, page 2		Net (of reinsurance / SPV) best estimate and TP calculated as a whole	Net (of reinsurance / SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230	752,122	
Other life (re)insurance and health (re)insurance obligations	R0240	3,332,744	
Total capital at risk for all life (re)insurance obligations	R0250		2,144,674,972

Overall MCR calculation

		C0070
Linear MCR	R0300	8,451,752
SCR	R0310	7,759,125
MCR cap	R0320	3,491,606
MCR floor	R0330	1,939,781
Combined MCR	R0340	3,491,606
Absolute floor of the MCR	R0350	3,600
Minimum Capital Requirement	**R0400**	**3,491,606**

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Karl-Wiechert-Allee 50

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Germany

www.hannover-re.com